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ABSTRACT

This report highlights the key benefits and opportunities that may flow to local elected officials (LEOs) from implementing a successful Job Training Partnership Act (JTPA) partnership. Chapter 1 is an introduction. Chapter 2 explains the specific benefits and opportunities that accrue to LEOs and their communities: (1) reduction of unemployment and underemployment and expanded access to jobs; (2) promotion of long-term economic growth and job creation; (3) reduction in welfare dependency, saving of public dollars, and expansion of the community tax base; (4) increased accountability and performance in schools; and (5) leverage to increase interagency coordination. Chapter 3 reviews the procedural ground rules of JTPA. Six key elements of the act are highlighted: new federalism relationships, the role of the governor and state job training coordinating council, LEOs and the private industry council (PIC), funding and planning, decision making on clients and services, performance standards, and liability issues. Chapter 4 identifies the requirements for a successful public/private partnership and notes the oversight responsibilities and potential liabilities that may ensue. Appendixes provide model and specific examples of partnership agreements negotiated between LEOs and PICs. (YLB)

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Employment and Training Issues

JOB TRAINING PARTNERSHIP PROGRAMS: A GUIDE FOR LOCAL ELECTED OFFICIALS

National Association of Counties

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JOB TRAINING PARTNERSHIP PROGRAMS: A GUIDE FOR LOCAL ELECTED OFFICIALS

By:
Steven G. Pines

Prepared for the
National Association of Counties

May 1987

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JOB TRAINING PARTNERSHIP PROGRAMS:

A GUIDE FOR LOCAL ELECTED OFFICIALS

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PREFACE

The National Association of Counties Employment and Training Project, under a grant from the United States Department of Labor (USDOL), has issued a series of Issue Papers to the employment and training community. This Issue Paper: **"Job Training Partnership Programs: A Guide for Local Elected Officials,"** by Steven Pines, with wordprocessing by Phyllis Hines, focuses on the key benefits, systematic elements, and partnership opportunities contained in the Job Training Partnership Act for local elected officials.

These papers do not necessarily represent the views or opinions of the National Association of Counties, the NACo Employment and Training Programs or the U.S. Department of Labor. They do represent, however, the opinions and perspectives of its author.

This series is meant to stimulate discussion within the employment and training community on issues which NACo believes are important to and impact on the future of employment and training in the United States. Therefore, the National Association of Counties welcomes your reactions to and comments on these Issue Papers. Please address your comments to Neil Bomberg, Research Associate, Employment and Training Programs, National Association of Counties, 440 First Street, NW, Washington, D.C. 20001. Letters may be published in the future.

AN OPEN LETTER TO LOCAL ELECTED OFFICIALS

As local elected officials in counties and cities across the United States, you are engaged in a struggle for economic and social growth where you must confront a broad range of vexing public policy issues. Foremost among these is the ability of your local workforce to meet the challenges of international competition and widespread technological change and the economic challenges emanating from Main Street as well as across the county line.

The Job Training Partnership Act (JTPA) is a $3.5 billion program which provides the structure and resources for local elected officials to begin to close the gap between workforce capabilities and workplace needs in partnership with business, labor and other community organizations . Through an active JTPA partnership with your local private industry council, you are positioned to **create new jobs** though a comprehensive economic development policy; **reduce welfare costs** by training and employing public assistance recipients; **train the unemployed** for jobs in the private sector and **increase program efficiencies** through improved coordination among public agencies.

The National Association of Counties views the Job Training Partnership Act as a model vehicle for addressing many economic and social imperatives. The Association has worked extensively with Congress and the Administration to preserve a key role for local elected officials in job training. We hope that this guide can provide you with information and ideas on how to better confront the range of economic and employment policy issues facing you today and to assure that you are an equal and active partner with the private sector in stimulating a local economic and social revitalization.

Sincerely yours,

John Horsley

John Horsley
President,
National Association of Counties
Commissioner,
Kitsap County, Washington

EXECUTIVE SUMMARY

The Job Training Partnership Act (JTPA) is not an overly complex federal program; in fact, most of its policies and programs are developed at the state and local level. Through a meaningful and balanced agreement with your partners on the local private industry council (PIC), you can develop policies that can be potent springboards for community growth. When exercised in conjunction with the PIC, your executive powers can be broadened and at the same time responsibility and liability can be shared with many community leaders.

Many benefits and opportunities accrue to you and your community through a well-crafted job training partnership. You can:

- reduce unemployment and expand access to jobs
- promote long-term economic growth and create jobs when coupled with economic development strategies
- reduce welfare dependency, save public dollars and expand your tax base
- promote increased accountability and performance in your schools
- provide leverage to increase inter-agency coordination.

To effectively participate in the JTPA partnership, local elected officials need to understand the requirements and responsibilities that are a part of JTPA. Among these "rules of the road" as described in Chapter III are:

- States have an enhanced administrative and policy role under JTPA.
- Local governments must forge equal and substantive partnerships with the private sector and community organizations to effectively plan, operate and evaluate programs.
- A number of diverse and often difficult decisions must be made to mount a successful program including:
  - -- who will be served
  - -- what services will be provided
  - -- how will they be provided
  - -- how is job training integrated with other governmental policies
  - -- how are programs evaluated.

The cornerstone of job training partnership programs lies with the local elected official and the private industry council crafting a well-conceived plan which makes effective use of their respective strengths. Elected officials are well-positioned to provide leadership focusing the resources of public agencies. In addition, they can implement a broad menu of social and economic policies which the voters have endorsed at the ballot-box.

Likewise, members of the private industry council, from business, labor, education and community groups also bring substantial resources to the partnership, often beyond the reach of the local elected official. The challenge for all local leaders is to identify a set of roles and activities that matches their operating style and action agenda. The Job Training Partnership Act merely provides the structure for effective partnerships; the rest is up to the individuals who must give it local meaning.

CHAPTER I

JOB TRAINING -- AN INVESTMENT IN OUR FUTURE

In the post World War II era, from the Manpower Development and Training Act, to the Comprehensive Employment and Training Act and now the Job Training Partnership Act, the United States has seen a progression of federal employment and training programs to respond to the prevailing political and economic pressures of the time. Throughout this relatively short history, the role of local elected officials (LEOs) in planning and administering programs has changed with each legislative initiative. Yet throughout the decades, LEOs have been the linchpin in the local delivery system because of their unique ability to translate federal policies into community-based activities and services to their constituents.

Leaders at all levels of government as well as the private sector, must look over the next period to the Year 2000 as a time when tremendous changes will occur in the nature of work. These changes include ever-increasing skill requirements for highly skilled and technical jobs; increasing demands in traditional education and job training institutions to prepare new workers and re-train others who have lost their jobs; providing equal access to jobs for all segments of society; and responding to the challenges of international competition.

At the same time, the workplace will change significantly. From five to 15 million manufacturing jobs will be restructured and an equal number of service jobs will become obsolete. While it is expected that new jobs will replace those that are lost, the disruptions from these changes will be great and the need for training and retraining will be more significant.

These challenges are real and have dramatic economic and social consequences. We are living in an era when we have to learn how to do more but with less resources. Increasingly, the leadership in our communities, both public and private, has to insist that delivery systems charged with meeting these challenges *get it right the first time.* We cannot and should not accept less than excellence from our schools, our governments, our community organizations or from the private sector. If we don't invest in the development of our human resources today, the price-tag tomorrow will be prohibitively expensive and this nation will have lost its most prized natural resource -- a generation of able-bodied citizens.

Throughout this report, we will highlight the key benefits and opportunities to LEOs which may flow from implementing a successful JTPA partnership, including, creating new jobs through economic development, reducing welfare costs by training and employing public aid recipients and increasing the employability of disadvantaged and discouraged residents through skills training and education. In addition, we will review the procedural ground rules of JTPA so LEOs can realize the full potential of using job training to leverage a broader human resource development agenda within their communities.

LOOKING TO THE YEAR 2000

Over the next 10 to 15 years, the workforce will undergo a major change in composition. Most striking will be the growth of less well educated segments of the population that have typically been the least prepared for work. The number of minority youth will increase while the total number of youth of working age will decline. The number of high school dropouts will rise as will the number of teenage mothers. At the same time, entry level jobs increasingly will require basic, analytical, and interpersonal skills.

Will our youth be able to meet these requirements or will they become a part of a growing underclass with no hope for employment?

The labor market will need to accommodate still other changes in the workforce. Women will account for the majority of labor force growth. They will bring with them not only special needs for child care but continued pressure to move beyond traditional "women's work." The workforce also will be aging. Over 75 percent of the workforce in the year 2000 is already working today.

Business and government together must also look beyond education and training programs. The most rapidly growing yet most vulnerable, of the nation's labor pool is concentrated where schools are inferior, work experience opportunities are poorest, and available full-time jobs are declining. Although business will need these workers, they will not be prepared to work and will too often find jobs inaccessible to public transportation systems to existing jobs.

Source: National Alliance of Business

We will identify also the requirements for a successful public/private partnership and note, in particular the oversight responsibilities and potential liabilities which may ensue. Finally, we provide specific examples of "model" partnership agreements negotiated between LEOs and the private industry council so that you may customize your agreement drawing upon some of the best information around. And if we haven't answered all of your questions, a list of references is provided to help guide your quest for a more complete partnership.

CHAPTER II

BENEFITS AND OPPORTUNITIES FOR LOCAL ELECTED OFFICIALS

Any fulfilling partnership must begin with an identification of the potential benefits which may be generated through the enterprise. The reason is straightforward: partnerships are difficult, so real incentives must be a part of any such arrangement -- incentives which accrue to the various partners in an equitable fashion.

The guiding theme of this publication is to view the local partnerships between government and the private sector, crystalized through the Job Training Partnership Act, in a broad human resource context. By linking job training to a host of economic and social re-vitalization initiatives, both short and long-term payoffs will accrue to your community. At least five major benefits and opportunities are explored here:

- **Job training reduces unemployment and underemployment and expands access to jobs.**
- **Job training promotes long term economic growth and creates jobs when coupled with economic development strategies.**
- **Job training reduces welfare dependency, saves public dollars and expands the tax base of the community.**
- **Job training helps to promote increased accountability and performance in our schools.**
- **Job training provides leverage to increase inter-agency coordination.**

Many other incentives will be apparent to local elected officials, particularly when the full potential of leveraging their executive powers with the resources and investment strategies of their private sector partners are recognized. The remainder of this chapter is devoted to explaining the specific benefits which can accrue to you and your committees.

Benefit No.1: Job Training Can Help Efforts to Reduce Unemployment and Underemployment and Expands Access to Jobs

Unemployment remains a serious problem in many of our cities and counties and despite an economic recovery in many regions of the U.S., over 8.5 million Americans are officially reported as being out of work. This waste of human capital cannot be tolerated. Not only will we have to equip these individuals for entry-level jobs, but we face a continuing challenge to re-train workers, blue collar and white collar, for jobs requiring new skills due to technological shifts in all sectors of the economy.

Job training programs do just that -- train unemployed individuals for real jobs in the private sector. By raising the occupational and basic skill competencies of the unemployed, LEO's can help translate a neighborhood's sense of despair and frustration into hope and opportunity -- empowering those citizens to control their economic and social destiny more effectively. Research has shown that skills training can make a difference, particularly when the trainees are the least able to successfully cope in the competitive labor market. Job training can help you move some of your human capital "liabilities" over to the "asset" side of the community's balance sheet.

Benefit No. 2: Job Training Promotes Long-Term Economic Growth and Creates Jobs When Coupled with Economic Development Strategies

Providing quality occupational skills training is just one part of the overall strategy to reduce unemployment in your community -- in addition you have to have sources of jobs. The issue of job creation, whether in a rural or urban community is a constant and universal priority. Therefore, it is immensely important that local elected officials make the complete link between job training and job generating systems. Making a successful connection between those crucial activities can make the difference between community-wide prosperity, stagnation or decline.

The stakes are high but job training can add to the total economic development strategy for attracting new employers to the community and expanding the number of jobs at existing employers. Both are of equal importance and should be pursued simultaneously.

Research has found that while tax abatements and other financial inducements are helpful to attract jobs, employers overwhelmingly cite the availability of a skilled workforce as the pivotal factor in choosing a plant site. The ability of Job Training Partnership Act programs to provide customized and subsidized on-the-job-training for specific employers, thereby lowering the business' training costs, are two main elements of a job creation strategy. Elected officials are well-positioned to team their economic development and job training programs together and develop a strategy that benefits the entire community, enlarges the tax base and creates a climate of sustained growth that makes everyone a winner.

MODEL #1

LINKING TRAINING WITH JOB CREATION

Since most economic development and employment and training activities are carried out locally, forging a link there is especially important. Localities have used a variety of approaches involving organizational, procedural, and programmatic links.

- Some cities have linked the functions through formal organizational arrangements. In Glendale, California, for example, responsibility for JTPA and the city's Community Development Block Grant (CDBG) program lies with a single department, making it easier to combine these resources to achieve development objectives that benefit the economically disadvantaged.

- Hiring agreements, pioneered by Portland, Oregon, are a procedure now used in a number of localities to give persons referred or trained by the employment and training agency first shot at jobs created through economic development incentives. In Contra Costa County, California, the County Board of Supervisors has recently established a policy linking its decisions on economic development assistance and land use changes for private developers to a developer's willingness to hire unemployed or economically disadvantaged county residents.

- In Chester County, Pennsylvania, the county office of economic development has packaged private industry council on-the-job training resources, a CDBG loan fund, an entrepreneurial training program, and a state-sponsored small business incubator program into a concerted strategy to promote new and small business development and new jobs in two depressed steel towns.

- Customized training is a tool that can be especially valuable in an economic development program, as demonstrated by Baltimore's success in training and placing 500 economically disadvantaged residents in jobs in a new hotel on the Inner Harbor.

- Programs, such as "Be Your Own Boss" in Broward County, Florida, have trained JTPA clients to operate their own businesses, and in Akron, Ohio, employment and training services have made a significant contribution to the success of the city's small business incubator facility.

Source: "Making the Link"
National Alliance of Business

MODEL #2

LINKING TRAINING WITH FEDERAL ECONOMIC DEVELOPMENT TOOLS

Urban Development Action Grants -- The U.S. Department of Housing and Urban Development's (HUD) UDAG program is the single most important federal program for urban economic development. It involves a flexible use of public financial assistance and closer public-private interaction than any other federal development program. It also has explicit requirements pertaining to job creation for low- and moderate-income persons. It is important that these be implemented effectively with the full participation of the local employment and training agency to guarantee the maximum possible number of jobs for the economically disadvantaged and the productive role of employment and training resources in UDAG packages. UDAGs used in development projects can be tied to requirements that recipient firms hire local residents, minorities, and other special population groups. Negotiations over the award of UDAGs also can be related to a firm's willingness to participate in the training and outreach programs of local PICs. Linkage can also increase the likelihood that jobs created will be appropriate for the community's unemployed population.

Community Development Block Grant -- HUD's CDBG program remains the principal federal development program for localities, especially in light of reductions in other federal development programs. Historically, relatively little of CDBG expenditures was directed at economic development and job generation activity. However, this is changing and new opportunities exist for linking HUD block grant programs to jobs. Without special efforts to do so, job creation and job targeting opportunities will be lost. Amendments to the CDBG program allow for greater participation by private, for-profit firms. Such participation could be structured to promote economic development and job creation linkages. Grants or loans made under the CDBG program to local for-profit or nonprofit development corporations can be tied directly to local job development and training activities through employment plans.

Benefit No.3: Job Training Can Help Reduce Welfare Dependency, Saves Public Dollars and Expands the Tax Base of the Community

There is a growing national and state movement to re-examine public assistance policy with the twin objectives of preserving income maintenance for those unable to work while training those who are employable for jobs in the private sector. It is the responsibility of elected officials to devise fair and humane programs which meet those twin objectives so that more of their constituents achieve economic self-sufficiency. In return, savings from welfare programs can be re-channeled elsewhere to provide more intensive services to those individuals who are most disadvantaged.

Job training, when linked with welfare programs, can be an effective anti-poverty program tool and at the same time provide a pro-active social investment strategy. Public assistance recipients are targeted for JTPA training and local program operators are held accountable for serving them in sufficient numbers through the JTPA Performance Standards system. In addition, several states have enacted welfare reforms which condition income support on able-bodied persons seeking job training and employment. Private industry councils have the training delivery system, expertise and access to the labor market which may assist elected officials to implement this politically sensitive agenda.

MODEL #3

MASSACHUSETTS EMPLOYMENT AND TRAINING CHOICES

Discussions of welfare employment and training programs inevitably come back to Employment and Training Choices, the program operated since October 1983 by the Commonwealth of Massachusetts. While other states are getting ready to put comprehensive employment and training programs for welfare recipients into effect, Massachusetts has been operating one for years.

Massachusetts' approach differs significantly from the programs now being established in California and New York in that it is entirely voluntary. Welfare recipients are not threatened with loss of benefits if they don't participate in ET Choices, and there is no workfare. However, the program has proved so popular that the state has no need to make participation mandatory. ET Choices has a long waiting list of recipients anxious to get into the program. A statewide Employment and Training Taskforce brings together representatives of local Job Training Partnership Act programs, welfare, education, and community-based organizations to coordinate training. This network allows Choices participants to take English as a Second Language and high school equivalency courses, along with training in such areas as word processing, electronics assembly, and medical assistance. Some recipients have even been placed in community college to obtain degrees as nurses' aides and registered nurses.

The supported work program uses participants' welfare benefits to subsidize their wages while they work at private sector job sites, a switch from traditional supported work programs, which put trainees in positions with public agencies or non-profit organizations.

By arranging for participants to work in the private sector, participants receive both training and exposure to the workplace as it actually functions. Employers get first-hand experience with a trainee before making a decision whether to hire, as well as an employee with job-specific training. Supported work programs can run as long as nine months.

Like all employment and training programs in Massachusetts, ET Choices has benefited greatly from the outstanding economic climate in the state. The state's unemployment rate has fallen from 6.4 percent to 3.3 percent in the past three years, one of the lowest rates in the nation.

Benefit No.4: Job Training Helps to Promote Increased Accountability and Performance in Our Schools

Concern over the quality of education has led to a significant debate over ways to increase the performance and accountability of public schools. The direct relationship between educational competencies and future employment and earnings is undisputed, and unless real and dramatic improvements in education take place, we will face substantial problems meeting our employment needs and maintaining our standard of living.

Educators, both teachers and school building administrators must be held to higher standards of excellence by the community and then be given the tools to carry out their mandate. Part of this new mandate is to provide realistic information to students about the world-of-work and to provide a learning environment that will facilitate students successful school-to-work transition. Not only must students make the grade, but all who are involved in education should be vigorously evaluated on an on-going basis to insure their competence.

Once again, job training resources provided by JTPA can provide leverage with the education community to focus more on the school-to-work transition agenda. Summer and part-time jobs, for students, funded through JTPA should be linked with clearly articulated attendance and achievement policies. In addition, remediation programs using state-of-the-art learning technologies can be funded by JTPA, not as a substitute for public education programs, but targeted to address those special learners who fall through the cracks. Education representatives who sit on the PICs are positioned to request additional private sector leadership and support for their schools to help address specific funding or programming shortcomings deemed appropriate. In return, measurable progress by the schools must follow.

JTPA is not a panacea to education in terms of funding, but it can be a powerful ally. Through its involvement of community and private sector leadership, the LEO and PIC can insist on higher performance for all students and increased accountability of the schools.

MODEL #4

EDUCATION FOR JOBS IN BOSTON, MASSACHUSETTS

The Boston Private Industry Council helped facilitate a "compact" between local business and the public schools in which businesses agree to certain hiring commitments if the schools increase the skill levels and percentage of their graduates.

Boston has experienced exceptional job growth since the late 1970s due in large part to the expansion in high technology and service and financial industries. Service employment has expanded by about 7 percent a year within the greater Boston area, compared to 1.8 percent nationally. However, businesses have expressed concern about an emerging skills shortage among applicants for jobs in high technology fields. The quality of the Boston public schools has declined, as measured by student performance and the skill level of its graduates. Concerned business leaders began meeting with school officials in 1982 to find ways to address this problem. These discussions led to the "Boston Compact" between schools and business in which both sides agreed to commit themselves to the following goals:

- A five percent increase per year in the number of students who graduate.
- By 1986, all graduates will demonstrate the reading and math skills necessary for employment through achievement of minimum competency standards established by the School Committee.
- A five percent increase per year in the number of graduates placed in jobs or in higher education.

The school system agreed to specific improvements in curriculum, technical education, career preparation and computer literacy. The business community agreed to participate in a priority hiring effort to place 400 qualified seniors in jobs on graduation and increase summer jobs programs by 33 percent. **The PIC is the intermediary in helping negotiate the priority hiring plan for students which the schools certify have achieved basic skill levels.** A detailed Operational Plan was negotiated which set out specific school and business action in career counseling, remedial education, curriculum design, vocational education, computer literacy, and school management assistance.

What is unique about this "Compact" is the way it explicitly establishes the necessary tradeoff between business and schools for achieving improvements in performance with the PIC using JTPA resources to leverage institutional change. It is clearly in the interest of both the schools and business to enter into such an agreement since both sides can "win" in this situation.

Benefit No.5: Job Training Provides Leverage to Increase Inter-agency Coordination

In most communities, there exists a patch-work of human resource development programs, clients, and institutions which operate those programs. Some provide social services, education, or low-income housing, while others seek out new employers, train the workforce or match the unemployed with jobs. Up close, all of these efforts have very specific objectives, yet when viewed from afar, it becomes clear that their underlying objective is to raise the socio-economic health and wealth of the community. In most jurisdictions, this network of activities is poorly coordinated; an intolerable waste of precious capacity. Protection and promotion of one's job and turfism often are the root-causes of this failure to coordinate.

Through the job training partnership, local elected officials have an opportunity to apply leverage among this patch-work of programs through their private industry councils for system-wide planning and coordination. Through its diverse membership with a business majority, PICs provide a potentially powerful voice in public policy formation and implementation. The LEO, who establishes the PIC, can extend his or her authority beyond that which is specifically provided through the ballot-box and enforce the collaboration process. The PIC can move key players and programs to work more closely together without causing LEOs to suffer political liabilities that they may otherwise experience. Special interest groups, who frequent the county offices, must now contend with a non-political PIC. Of course, this delegation of the "public trust" to the PIC requires appropriate oversight. (More on this will be discussed in Chapter 4.) Thus, the PIC can be a powerful vehicle for the local elected officials to implement human resource development in a coordinated and integrated fashion.

In summary, the key benefits and opportunities for active LEO partnership in JTPA are:

- Job training can help efforts to reduce unemployment and underemployment and expands access to jobs.
- Job training promotes long-term economic growth and creates jobs when coupled with economic development strategies.
- Job training can help reduce welfare dependency, saves public dollars and expands the tax base of the community.
- Job training helps to promote increased accountability and performance in our schools.
- Job training provides leverage to increase inter-agency coordination.

CHAPTER III

OVERVIEW OF JTPA — RULES OF THE ROAD

The JTPA establishes training programs to prepare unskilled youth and adults for employment in the private sector using a variety of strategies. It also represents a major change in federal job training policy by giving the states a substantial role in directing the policy of their own employment and training programs. In addition, it introduces a major new partnership with the private sector and government under a carefully crafted power-sharing agreement and through private industry councils. The Act also provides local flexibility in determining who should be served and the manner in which they should be served. And for the first time, federal law includes a mechanism of incentives for and sanctions against local program administrators which introduces accountability based on program outcomes and not process.

In this section, we will introduce the local elected official to the key elements of the Act -- *the rules of the road* -- that they need to know to effectively participate in the partnership. Rather than provide a detailed technical orientation, it conveys valuable information so **LEOs can effectively discharge their responsibilities and become full and equal partners.** The six key elements reviewed are:

- **New Federalism Relationships**
- **The Role of the Governor and State Job Training Coordinating Council**
- **Local Elected Officials and the Private Industry Council**
- **Funding and Planning**
- **Decision-Making on Clients and Services**
- **Performance Standards**
- **Liability Issues**

Rule No.1:	New Federalism Implements Changed Power-Sharing Arrangements For Federal-State-Local Governments

Enacted in the Fall of 1982, JTPA ushered in a new era of federal domestic policy, under the banner of New Federalism, which dramatically changed the roles of the federal, state and local governments management of job training programs. The U.S. Department of Labor (DOL), which oversees JTPA, has a significantly reduced role, while the states take on expanded administrative and oversight functions that were typically discharged by DOL under prior training and employment programs like the Comprehensive Employment and Training Act.

The public/private partnership of JTPA becomes fully operational at the local level under the aegis of the PIC-LEO relationship. Due to the decentralized nature of the Act, there is significant variation among states in the basic elements of client eligibility, and program and fiscal accountability.

Rule No. 2:	The Governor and the SJTCC Have Significantly Enlarged Policy and Administrative Oversight Authorities

Each state's governor is responsible for the overall administration of JTPA. To assist the governor in this capacity, a planning and advisory group, the state job training coordinating council (SJTCC) must be established. As JTPA programs become institutionalized in state policy and practice, the significance of the SJTCC is increasing. Many governors are adopting the council's recommendations as statewide policies. These policies can affect substantially a variety of state and local program operations.

The SJTCC is responsible for recommending to the governor a "coordination and special services plan" (CSSP). This two-year planning document establishes goals and objectives for job training and placement programs for JTPA participants. It makes recommendations for coordinating related policies, administrative oversight, and client-support activities and performance goals. The SJTCC also advises the state on the use of the discretionary monies in Title II-A for adult and youth training, as well as Title III funding for dislocated workers.

In addition to appointing the SJTCC, the governor also chooses a state agency as the administrative entity to oversee implementation of the law. This agency issues appropriate policies and regulations to enforce broad directions that the states may wish to adopt.

Another key decision each governor must make is dividing the state into a series of service delivery areas (SDA). Service delivery areas are defined in the law as "any unit of general local government with a population of 200,000 or more" or "any consortium of contiguous units of general local government with an aggregate population of 200,000 or more which serves a substantial part of a labor market area." The SDAs form the geo-political area in which local JTPA funds and programs are directed. They may be re-designated no more frequently than once every two years. In any event, governors must justify their choice of SDAs. A sensible local petition based on agreement by all affected parties -- elected officials, business persons, and others -- could lead to the establishment of the most efficient and effective SDA. Additional responsibilities of the governor include:

- Certifying that the private industry councils in each SDA are constituted according to the procedures established by federal law and regulations.

- Reviewing and approving the biennial SDA/PIC plan in accordance with the state-wide coordination plan. If requested by a local PIC and included in the plan, governors may waive the otherwise legally binding 70/30 local spending split, which allocates funds for skills training (70 percent) and program support (15 percent) and administration (15 percent).

- Enforcing DOL mandated performance standards -- which may be adjusted, based on unique local conditions -- as well as awarding financial incentives or imposing sanctions for success or failure in meeting local performance standards.

- Conducting a biennial fiscal audit of local programs.

- Directly administering a spectrum of special state-wide coordination, vocational education, older worker, ex-offender, and model demonstration programs. To pay for all this -- as well as for performance incentives -- the governor keeps 22 percent of the federal block grant awarded by formula to the state. The other 78 percent must be passed through to the local SDA/PICs.

- Developing and administering under Title III, programs to assist dislocated workers which require a 50 percent non-federal match. With input from the SJTCC and local PICs, each governor determines the operational configuration of these programs.

As you can see, JTPA provides governors with a much more important and central role in job training programs than heretofore. They now function as organizer, certifier and, in some ways, as a monitor of the new job training system.

Rule No. 3:	LEOs and the PIC Craft Partnership Agreements For Effective Human Resource Program Development

Within an SDA, a Private Industry Council is formed:

> "to provide guidance for and oversight with respect to activities under the job training plan for its service delivery area in partnership with the unit or units of general local government within its service delivery area." (JTPA Legislation)

The chief elected official (CEO) within an SDA chooses the PIC members from a recommended slate of nominees. The law mandates that PIC members shall come from the private and public sectors. Private sector members can include owners of businesses or chief executive officers of corporations and

comprise no less than 51 percent of the council. The PIC must also contain representation from education agencies, rehabilitation agencies, organized labor, community-based organizations, economic development agencies, and the public employment services (see page 27). This initial decision on PIC membership is the vital first step towards developing an effective partnership with the PIC, and as such should be made with due deliberations and reflect the broad human resource development agenda. In the event that multiple units of government compose an SDA, agreements must be negotiated which spell out the relationships among LEOs for the purposes of implementing JTPA, including PIC membership. *However, it is absolutely essential that there be a working partnership among the elected officials prior to establishing a PIC and developing an effective working relationship.*

WHO IS ON THE PIC?

- **Private Sector**
  - *51 percent (minimum) of PIC members must be from private sector entities, preferably executives or top-level decision makers*
  - *nominated by general purpose business organizations*
  - *nominations must be 150 percent of the number to actually be appointed (e.g., 15 nominations for 10 appointments)*
  - *chairperson from private sector and elected by PIC*
- **Education**
  - *Selected from individuals nominated by local education agencies representing:*
    - *public, private and proprietary schools*
    - *higher education*
    - *vocational education*
- **Other Groups**
  - *organized labor*
  - *community-based organizations*
  - *economic development*
  - *employment service*
  - *rehabilitation agencies*

Once formally constituted, the PIC and the LEO must agree on a set of formal relationships which specify the roles and responsibilities of each member to this local public/private partnership. While this will be reviewed in the following section, this agreement may describe one of a variety of power-sharing and administrative relations that may be crafted to meet local needs. For example, the county commissioner may directly receive federal grants and administer job training programs, while the PIC may establish overall policy direction and monitors the program to assure that it's meeting those policy initiatives.

Rule No. 4:	Forward Funding Provides Opportunities for Upfront Program Planning

Funding:

A hallmark of JTPA is its forward-funding mechanism which requires DOL to allot job training funds to states a full seven to nine months prior to actual program start-up and requires states to allocate funds shortly thereafter, thereby sparing the system from many of the last minute funding glitches that plagued CETA. Funds appropriated by Congress in the fall, are earmarked for programs starting the following July 1. This allows local managers more time to plan and build greater confidence in the funding source.

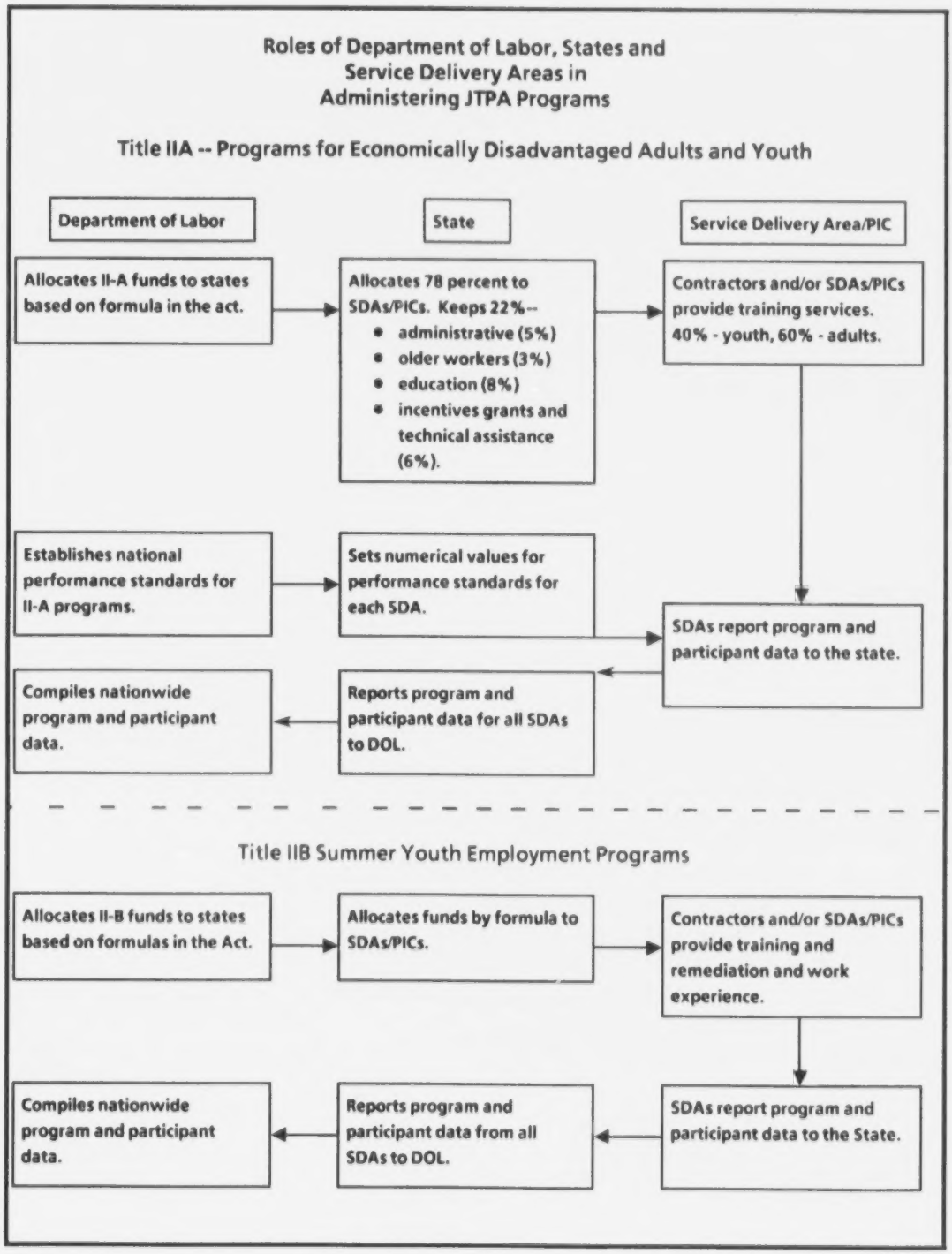
Most recently, JTPA was appropriated $3.8 billion nationally to fund a variety of national programs like the Job Corps, state and local job training activities for dislocated workers, the economically disadvantaged, and summer jobs for youth.

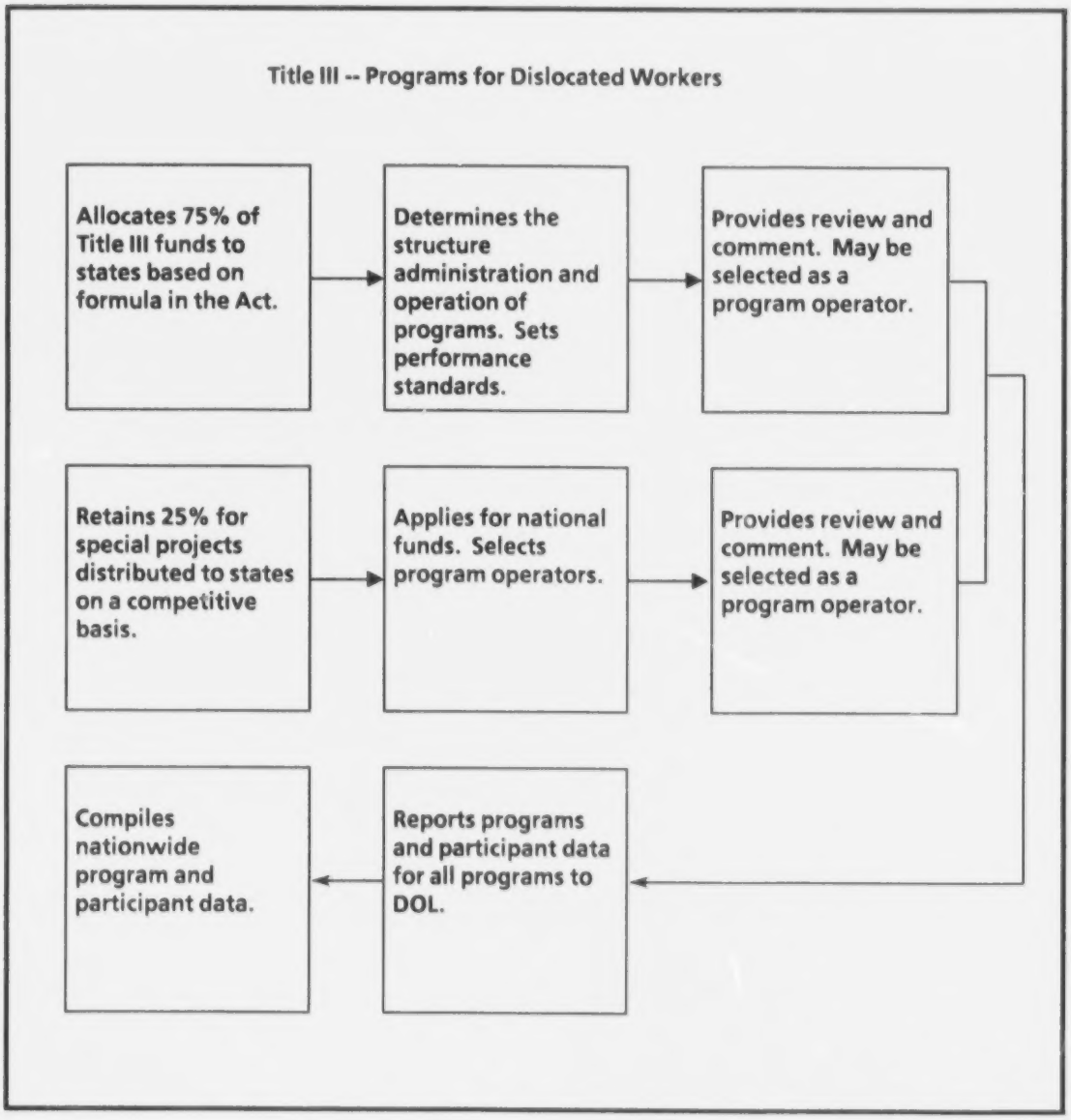
The major training dollars available to states and SDAs are in Title II-A of JTPA. Of these funds, 78 percent are allocated to SDAs according to a general formula which considers the unemployment rate and the number of unemployed persons living in that area. Of these monies:

- Seventy percent must be spent on training. (Forty percent of these core training dollars must be spent on youth training programs) and

- Thirty percent must be divided between administrative costs and providing support services to trainees (e.g. stipends, child care costs and transportation), with no more than 15 percent spent for administration.

In addition to these core (Title II-A) training funds, local SDAs may be eligible for special grants from the states for education coordination activities (8 percent funds) and for serving dislocated workers (Title III). Each governor has the flexibility over the allocation of these non-pass through funds. In some states, SDAs receive them by a formula that's similar to that used for core funding, while in other states, it is a competitive process. This is an example of the newly enlarged powers of the governor under this type of block-grant to the states. (These boxes depict the funding flow by JTPA title.)


Roles of Department of Labor, States and Service Delivery Areas in Administering JTPA Programs
Title IIA -- Programs for Economically Disadvantaged Adults and Youth
Department of Labor
State
Service Delivery Area/PIC
Allocates II-A funds to states based on formula in the act.
Allocates 78 percent to SDAs/PICs. Keeps 22%--
administrative (5%)
older workers (3%)
education (8%)
incentives grants and technical assistance (6%).
Contractors and/or SDAs/PICs provide training services. 40% - youth, 60% - adults.
Establishes national performance standards for II-A programs.
Sets numerical values for performance standards for each SDA.
SDAs report program and participant data to the state.
Compiles nationwide program and participant data.
Reports program and participant data for all SDAs to DOL.
Title IIB Summer Youth Employment Programs
Allocates II-B funds to states based on formulas in the Act.
Allocates funds by formula to SDAs/PICs.
Contractors and/or SDAs/PICs provide training and remediation and work experience.
Compiles nationwide program and participant data.
Reports program and participant data from all SDAs to DOL.
SDAs report program and participant data to the State.


Title III -- Programs for Dislocated Workers
Allocates 75% of Title III funds to states based on formula in the Act.
Determines the structure administration and operation of programs. Sets performance standards.
Provides review and comment. May be selected as a program operator.
Retains 25% for special projects distributed to states on a competitive basis.
Applies for national funds. Selects program operators.
Provides review and comment. May be selected as a program operator.
Compiles nationwide program and participant data.
Reports programs and participant data for all programs to DOL.

The Local Plan:

The PIC/LEO agreement and the job training plan are the cornerstones of this new locally-based job training system. The latter is a document explaining how job training dollars will be spent and the former establishes the rules and process by which the roles and responsibilities of the LEOs and the PIC are negotiated. Thus, all parties should enter the process only after careful consideration of its potential roles. These are three basic decisions which must be made when developing the PIC/LEO agreement:

1) *Which organization will be responsible for local planning and handling the attendant professional staff work?*
2) *Which organization will be the grant recipient and be the fiscal agent for JTPA funds and thus held liable for its proper expenditure?*
3) *Which organization will be the administrative entity and manage the day-to-day operations of JTPA programming?*

Let's look at these three key decisions in greater detail.

Who will develop the Plan?

The PIC and local elected officials must first agree on procedures for developing the SDA job training plan. The law specifies that all or any part of the plan may be developed by:

- the private industry council
- local elected officials, or by
- other methods or institutions as provided in the PIC/LEO agreement,
- a combination of PIC, local elected officials and third parties.

In essence, there are few restrictions on how an entity or combination of entities actually staff and direct the development of the local plan and budget. While the decision may be straightforward, the choices are important. Once completed and approved by both parties, the plan will define the nature of the public/private partnership -- the roles and responsibilities of the PIC, the local governments, and other institutions.

There are advantages and disadvantages if one or the other has principal planning responsibility. In the final analysis, both the LEO and PIC may wish to share responsibility in a manner that makes best use of their respective areas of expertise.

Who will be the Grant Recipient?

The decision over who will be the grant recipient is different from the planning function because the grant recipient is the legal entity which receives JTPA funds directly from the state and is ultimately held liable for their expenditure. In the event that an audit disallows certain expenditures and non-grant money must be repaid to the state, the grant recipient will be held liable. Thus certain administrative functions are necessitated by the grant recipient including:

- establishing a system for the award and monitoring of contracts which contain standards for ensuring accountability and which contain clear, unambiguous goals and obligations for contractors;

- monitoring the implementation of contracts, including audits at reasonable intervals;

- taking prompt and appropriate corrective action when violations are found; and

- setting up a management information and reporting system on expenditures and program operations.

Who will administer the Program?

The administrative entity is also agreed to mutually by the LEO and the PIC and may or may not be the same entity as the grant recipient. As the day-to-day manager of the job training program, that organization must have the necessary staff and administrative systems to routinely monitor all aspects of program implementation. In fact, since similar recordkeeping and oversight functions must be performed by both the grant recipient and administrative entity, it is common that the same organization retain both functions. Not only could the grant recipient and administrative entity be delegated to a governmental agency, but an organization such as a community college, community based organization or non-profit corporation could implement JTPA programs.

KEY ISSUES FOR SELECTING GRANT RECIPIENT/ADMINISTRATIVE ENTITY

- The grant recipient has direct control over the funds.
- The grant recipient has legal responsibility, and liability for these funds.
- The administrative entity has direct operational authority.
- The administrative entity will require adequate staff and management safeguards.

Rule No. 5: Local Partners Must Make Key Decisions On Clients and Services

The local job training mission requires a careful balancing among the following variables: special interests, a limited resource base, a diverse range of eligible clients, a variety of program tools and a sometimes fragmented delivery system. The local elected officials, with the PIC, must craft a plan that requires a sensitivity to these sometimes conflicting concerns. The following are some of the major issues that must be addressed by responsible local officals. There are no easy answers to any of these items.

- **Who will be served?**

  Job training funds are limited. Only a portion of the eligible population can be served in most communities. Beyond the federal requirements to serve particular target groups, councils should set broad policies for determining which groups of individuals will receive priority.

- **What services and programs will be provided?**

  Taking into account the characteristics of the people who will be served, local elected officials and private industry councils should determine, in broad outlines, the mix of training, remedial programs and services that will be offered, and how financial resources will be allocated (see below).

JTPA SERVICES

- ON-THE-JOB TRAINING
- CUSTOMIZED TRAINING
- CLASSROOM SKILLS TRAINING
- REMEDIAL EDUCATION
- WORK EXPERIENCE
- ENGLISH AS A SECOND LANGUAGE
- ASSESSMENT
- JOB DEVELOPMENT/PLACEMENT
- SUPPORT SERVICES

- **How will services and programs be provided?**

  Local elected officials and private industry councils should develop general principles governing the delivery of programs and services. Key issues include the extent and nature of subcontracting, procedures for selecting service providers, and the methods for integrating the components of the various programs.

- **What will be the basic organizational structure for the job training program and its relationship with other agencies?**

  Local elected officials and private industry councils should establish policy guidelines governing the role of the council, the grant recipient, the administrative entity, the local government, and the relationship of the job training system to other employment and training and human service agencies.

- **What will be acceptable performance standards?**

  Minimum performance standards are established by the U.S. Department of Labor and by state governments in certain key areas. Local elected officials and private industry councils may wish to develop additional performance guidelines or request adjustments to federal and state standards by the governor when appropriate.

Rule No. 6: National Performance Standards Measure Local Program Results

When Congress enacted JTPA, it clearly stated that:

"Job training is an investment in human capital and not an expense. In order to determine whether that investment has been productive, the Congress finds that:

(1) it is essential that criteria for measuring the return on this investment can be developed and

(2) the basic return on the investment is to be measured by the *increased employment and earnings of participants and the reductions in welfare dependence.*"

The law requires that each state maintain records of SDA performance and DOL has translated Congressional concern over accountability into a series of quantitative measures that each state must adopt. Currently, seven standards are used to evaluate overall SDA performance. During program year 1986, they are:

PY '86 JTPA PERFORMANCE STANDARDS

ADULT

- 62% PLACEMENT RATE
- $4,374 COST OF PLACEMENT
- $4.91 AVERAGE WAGE OF ADULTS PLACED
- 51% PLACEMENT FOR WELFARE RECIPIENTS

YOUTH

- 43% PLACEMENT RATE
- 75% POSITIVE TERMINATION
- $4,900 COST PER POSITIVE TERMINATION

The numerical value of these seven measures is established by the Secretary of Labor, but may be adjusted by the state for each SDA to take into consideration, labor market conditions, client characteristics and the length of program duration. These adjustments can enable SDAs to serve the most at-risk group for the longest possible time and not be penalized. Bonuses are paid to SDAs with acceptable performance. Those that do not perform well are provided technical assistance. Should they fail to improve their performance, the state can impose severe sanctions including changing the administrative entity or re-designating the entire SDA.

This system of performance standards represents a fundamental departure from past federally-sponsored social programs. Now in place is a system of real rewards and sanctions that result from local program operations. Perhaps no other provision of JTPA has had as great an impact on local decision-making, especially concerning who will be served and in what way.

Rule No 7.	Liability Follows the Money So LEO Oversight Is Essential.

Under JTPA, the Secretary of Labor is directed to hold governors responsible for all JTPA funds received. Furthermore, governors must hold subrecipients, including SDA grant recipients, responsible for these funds. Thus, liability follows the flow of funds from the federal government to the governor to the SDA. Since many LEOs are grant recipients, they have to exercise maximum diligence and administrative oversight to minimize their exposure to this financial risk. Audit exceptions must be re-paid from non-federal funds, a situation to avoid.

Errors and omissions insurance is available to local governments which covers audit exceptions other than for fraud, but the premiums for this coverage are not an allowable JTPA expense. Several county-based programs have bought this protection or have created their coverage through a self-insurance plan.

In addition to insurance protection, the following is a list of important "preventive maintenance" activities that prudent local officials should have in place. It has been excerpted from "The Liability Chase Game: Reducing Financial Liability Resulting from JTPA Program Implementation," a NACo publication for local elected officials by Barbara Dillon and Craig Smithson, and is especially crucial for those program administrators who subcontract their service delivery system.

A. Pre-Contract Award Activities

1. Establish a "Qualified Agency List" and require all contract bidders to meet necessary pre-qualifications in order to submit a request for proposal (RFP).

2. Require prior funding information on a prospective bidder and verify the agency's history of success prior to funding.

3. Identify existing audit issues and obtain information on the status and method for resolution of the problem(s).

4. Conduct a pre-award survey of a new organization's financial management system prior to award of contract.

B. Contract Provisions

1. Include language in all OJT contracts regarding maintenance of a grievance procedure and access to company records.

2. Include key administrative procedures in the contract.

3. Assign responsibility for any future disallowed costs.

C. **Re-Capture of Advance Payments**

1. Restrict the amount of outstanding cash advances by establishing needs-based criteria for cash advance consideration.

2. Prior to approving cash advances, require agencies to submit documentation on their present financial condition.

3. Secure the cash advance with a performance bond, line of credit guarantee or a lien on assets.

4. Negotiate a repayment plan securing repayment of advances prior to the end of the contract.

5. Limit cash advance requests to operating expenses incurred for a specific time frame.

6. Charge a processing fee to deter unnecessary cash advance requests.

D. **Reasonableness of Fixed-Unit Price Contracts**

1. To insure competitive pricing, request bids for a selected, limited number of training occupations.

2. Maintain data on unit costs for enrolling, training and placing participants in specific occupations.

3. Place a limit on the unit price for each occupation and accept only those proposals which fall within the guidelines.

4. Specify the skill levels to be attained for a given occupation.

5. Require participants to complete a minimum number of training hours before full payment is paid for placement/retention.

E. **Verification of Placements**

1. Match management information system (MIS) reports with invoices.

2. Verify a sample of contract benchmarks through an independent audit.

F. **Monitoring Systems**

1. Demonstrate compliance with the Act, Federal regulations, State requirements, SDA training plans and individual contracts by describing why requirements have or have not been met and referring to specific documents.

2. Approach monitoring as an early-warning system to identify and resolve problems.

3. Use monitoring to identify technical assistance needs.

4. Include a review of key administrative provisions (i.e., contracting systems, advance payments, reasonableness of fixed-unit price contracts and verification of placements) as part of the SDA's "preventive maintenance" activities.

G. **Preparing for Audits**

1. During the conduct of the audit, perform the following activities:

   - Set aside office space for the audit team;
   - Assign and announce staff person(s) designated to serve as a liaison for the auditors and assist them in locating files, reports, etc.;
   - Assign audit liaison to attend all exit conferences scheduled with individual contractors;
   - Request that the audit team leader provide a regular verbal status report on the audit to the Executive Director;
   - Prior to the exit conference, verify status of all pending information requests from the auditors; and
   - Insure that the auditors receive all documentation of corrective action taken by the SDA as a result of prior audits.

2. As part of the audit resolution process, consider the following:

   - At the exit conference, obtain a report from the auditors on the status of all "notices of insufficient documentation";
   - Keep a complete record of the exit conference to refer to during the audit resolution process;
   - Carefully review the draft audit report for completeness; and
   - Provide progress reports to local elected officials, PIC members and affected contractors on the status of audit resolution efforts.

In summary, the important JTPA "rules of the road" that local elected officials should be familiar with include:

- New Federalism implements changed power-sharing arrangements in federal-state-local governments.
- The governor and the SJTCC have significantly enlarged policy and administrative oversight authorities.
- LEOs and the PIC draft partnership agreements for effective human resource program development.
- Forward funding provides opportunities for upfront program planning.

- **Local partners must make key decisions on clients and services.**
- **National performance standard measures local program results.**
- **Liability follows the money so LEO oversight is essential.**

CHAPTER IV

PARTNERSHIPS

In the previous sections, we've reviewed several benefits which JTPA provides to local elected officials and have highlighted the essential planning and administrative considerations necessitated by the Act. *It's been stressed that the heart of making this training and employment enterprise complete lies in crafting an effective working partnership with the private sector.* This final chapter will review some key considerations on developing the PIC/LEO agreement gleaned from four years of JTPA experiences. In addition, a model and example agreements are presented in the appendix which may be customized for your own circumstances.

Lessons for Building a Healthier Partnership

Because JTPA is unlike any of its predecessors, it cannot be operated like business as usual. The following, from "What Color is Your Partnership," published by the National Alliance of Business, are some of the important ways the new partners have to be re-oriented in order to be successful.

a) There must be a clear understanding of everybody's roles, day-to-day responsibilities, and reporting relations. This should be negotiated, written down, and available for all to see.

- The SDAs are urged to adopt an "operations agreement" like the model in the appendix.

- The scope of old administrative responsibilities may have changed substantially because of the advent of JTPA. Job descriptions, organization charts, compensation, and, above all, the outlook of the people involved should reflect this.

- The roles of the PIC staff should not duplicate those of the administrative entity staff. The written "operations agreement" must spell out how the PIC will work <u>through</u> the LEO's administrators, not <u>around</u> them.

b) There must be communication at appropriate levels. A PIC/LEO agreement is between the PIC and the LEO, not the PIC and the county's job training director. Every SDA should have a mechanism which forces periodic face-to-face meetings between the chief elected official and the PIC chair. The model operations agreement calls for the PIC to annually "review" the performance of the SDA administrative entity and pass its comments on to the LEO -- who doesn't have to act on them, but at least there has been a face-to-face exchange of perceptions.

c) The annual planning process can be designed to insure that the PIC and the LEO makes the most important policy decisions (e.g. allocation of the funds) while preserving for the administrative staff the freedom of action necessary to effectively implement the program (e.g., selection of service providers).

- The annual plan and grant submission documents are the only ongoing decisions which must be approved by both PIC and LEO. As such, the planning process can be used as a forum to resolve disagreements which arise between the PIC and the administrative entity over such issues as distribution of administrative funds, in-house or sub-contracted provision of training and services, and resource allocation among client groups or occupational areas.

- Adopting this scheme will require considerable upgrading of the standard, mostly boilerplate JTPA "plan" now submitted by most SDAs. It will also make planning and resource allocation the PIC's most important activity, consuming almost one half of each program year. When properly implemented, most PIC members and LEO's will feel that this is an efficient use of their time and attention.

Before turning to the model operations agreement in the appendix, you may wish to quickly review the following checklist of issues which address various aspects of your local partnership. Common areas of local conflict arise not from questioning the basic public/private partnership structure, but over the day-to-day operational and administrative concerns. That is why a well-negotiated PIC/LEO agreement is essential to a lasting and effective partnership.

Ten Questions to Ask About Your Partnership

(1) Do your SDA's major actors -- PIC chair and members, LEO, administrative entity managers -- share a common understanding of a) their roles, b) their day-to-day responsibilities, and c) the overall direction of SDA programs?

- Is the difference between policy making and administrative decisions clear?
- Are roles, responsibilities, and authorities written down, agreed to, and widely circulated?
- Do the major actors see the SDA as an integrated whole or as a group of loosely related parts each doing its own thing?

(2) Do the top people meet regularly and discuss issues?

(3) Do PIC and the LEO's administrative entity staff have clearly defined, distinct roles and job descriptions, or do their duties overlap in some haphazard way?

(4) Are PIC meetings consumed with discussions on minor administrative details?

(5) Is the PIC repeatedly asked to approve grant submissions "minutes before the state's deadline"?

(6) Do PIC members express frustration at:

- Too much paperwork?
- Not enough information on which to base decisions?
- Not enough time for discussion?
- No long-range planning?
- The feeling that the PIC has to get personally involved in planning and monitoring "so that it gets done right"?

(7) Does the PIC frequently override staff recommendations on programs and budgets?

(8) Does the PIC feel it must go around the administrative entity and develop its own sources of information?

(9) Do community groups, clients, and service providers view the PIC as a court of last resort in which they can appeal unfavorable or unpopular actions on the part of the administrative entity?

- If the PIC and the administrators are viewed by outsiders as adversaries, they will soon begin to view each other as adversaries, a situation easily avoided by more up-front coordination between making policy and carrying it out.

(10) Are the SDA's job descriptions and organizational charts rewritten to reflect new responsibilities that have come about as a result of JTPA?

- Reporting relations that made good sense under CETA may be inadequate to satisfy the informational needs of the PIC or the demands of new labor markets, programs, and client groups.

CHAPTER V

CONCLUSION

It's now evident that job training partnership programs and the related human resource development activities for which local elected officials are responsible, require bold new relationships with the private sector in order to be effective. Public funds are too limited to resolve all of a community's problems, and leadership and vision must be cultivated from all sectors of the community.

The local elected official is well-positioned to be the catalytic agent to fully nurture the resources and attention of educators, community leaders, organized labor officials and business executives who each, in turn, can and must make a special investment in the community. The LEO, as the convener, can coordinate and channel their unique contributions in pursuit of well-defined public policy goals. The implementation of policy is then best left to the specialists.

In job training matters, the full and active participation of the private sector is essential. Just exactly how local elected officials chart this partnership reflects their own operating style as well as that of their prospective partners. Any relationship, to be truly effective must be built on trust and cooperation. Each party must give up a little control in order to derive a level of output that is greater than that hoped for through singular activity -- *in essence, the whole is greater than the sum of its parts.*

Appendix

Model Operations Agreement Between the PIC and LEO

The following model from "What Color is Your Partnership?" assumes that the SDA administrative entity is an agency of the local government and that the PIC does not have line authority (hire/fire power) over it. Functional descriptions of major activities for the PIC and LEO-Administrative Entity will be discussed in turn. There are a number of variations on this PIC/LEO model. Use the model and other sample agreements as a point of departure when you craft your own local agreement.

Model PIC-LEO Agreement

Section I: ROLE OF THE PIC

A. Policy Making

The PIC is the chief policy-making body of the SDA. In partnership with the local chief elected officials, the PIC has ultimate responsibility for the success of JTPA-funded employment and training programs in this area.

Further, the PIC wishes to influence the scope and direction of other, non-JTPA funded employment, training and related services provided to the residents of its SDA. The PIC will carry out this latter objective by:

- Negotiating collaborative agreements with other agencies such as welfare, education, economic development, and business associations.
- Conducting marketing and public relations to inform both clients and employers of JTPA and other services.
- Conduct research and collect data on the present state and future trends of employment and population demographics in the labor market areas which make up the SDA.
- Prepare and disseminate position papers representing private sector views on proposed training and other social service programs at local and state levels.
- Raise private funds and apply for non-JTPA funds.

In general, the PIC's long-range goal is to extend JTPA's concept of the public/private partnership to the creation of an integrated service delivery network which can both encourage job creation in this SDA as well as prepare the area's disadvantaged citizens for meaningful working careers.

B. Planning

1. General. Planning is perhaps the PIC's most important activity. Through the planning process, the PIC and the LEO measure the needs of clients and employers and allocates scarce resources towards meeting them. Also, in each annual or biannual plan, the PIC and LEO set the outside parameters governing the size of employment and training programs in terms of both clients and dollars; the expected performance of each; and the amount of administrative funds which will be allocated for use by the central administrative entity, by the PIC, and by

subcontract program operators. Within these parameters, administrative staff will have considerable latitude to implement the agreed-upon plans without further approval by the PIC.

2. Planning Process Statement.

(a) Data Collection. Planning staff of the administrative entity will collect data for the PIC including:

- Short- and long-range labor market information, including job growth and decline, and demographic characteristics of the SDA's client population collected from published sources or surveys.

- Reports from programmatic oversight of current operations performed at least annually under the direction of the PIC's oversight committee. This report should be issued in time to be used in the planning process (January, each year), and should include evaluations of how programs have met SDA and state performance standards.

- Ongoing regular monthly/quarterly progress reports on current operations including estimates of potential lag funds available for the coming year.

- Planning guidelines received from the state. These will include timetables and funding availability to Titles IIA and IIB. Other funding sources should be estimated, including governor's special grants, Title III Dislocated Workers grants, other state program grants, and PIC-generated private contributions. To avoid duplication and wasted effort, it is important for the PIC to have before them reasonable estimates of all funds (from whatever source) the SDA is likely to receive before they begin the planning process.

(b) Set Parameters. Based on this data, the PIC's planning committee will set parameters for next year's programs as follows:

- What occupations and client groups should receive emphasis based on our labor market information?

- What percentage of our resources should be spent on each priority client group?

- What training "path" (classroom, OJT, job search, a combination) best suits each priority group?

- What performance outcomes do we expect from each training path?

- What percentage of the administrative and client services budgets should be allocated to each program?

This "strategic" plan will be approved by the full PIC and the LEO, published and submitted to the state by March 31, of each year.

(c) Staff Negotiation. On the basis of the PIC-approved parameters, SDA planning staff can:

- Request proposals from training and service providers.

- Prepare budgets for "in-house" operations.

- Negotiate with sole-source providers.

- Hold public hearings at which competing vendors may make presentations.

- Prepare administrative budgets based on PIC guidelines.

Staff should complete these activities by May 31 of each year, at which time the second, more detailed plan will be reviewed by the PIC planning committee and approved by the full PIC and the LEO. The new plan will be implemented on July 1.

3. Modifications throughout the program year.

   (a) The SDA administrative staff has considerable latitude to alter programmatic content within the broad parameters of the "strategic" plan should conditions change or should a program operator prove deficient. Based on monitoring reports or the failure of corrective action, staff is able to shift resources among programs or service providers subject only to after-the-fact review by the PIC planning committee. Contracts with service vendors should make clear the right of staff to do this under prescribed conditions.

   (b) Major changes may be necessary due to unforeseen circumstances (such as plant closings) or mistaken original assumptions (school drop-outs need more remedial education then expected or are harder to recruit than expected). Such major changes should be initiated by the Planning Committee -- based on advice from staff or monitoring reports -- and proceed through the same process as outlined above.

C. Monitoring and Corrective Action

The JTPA specifically reserves for the PIC a major role in program "oversight." In the context of the Act, "oversight" means reviewing, monitoring, and evaluating. The PIC shall:

- Review and approve monthly progress reports (fiscal and programmatic), compiled for it by the SDA administration monitoring staff, concerning each program's operations.

- Review and approve reports of regularly scheduled fiscal and programmatic audits of service providers performed for it by administration staff or by outside, independent auditors. PIC staff or members may wish to accompany and participate with administration staff while performing regularly scheduled programmatic audits.

- Request staff to perform special audits -- both fiscal and programmatic -- in cases where the PIC feels such a procedure is necessary to uncover deficiencies or improve program performance. PIC staff or members may wish to participate in such audits; however, no service provider will be audited without sufficient and reasonable advance notification. It is assumed that the PIC will request special audits infrequently and only in unusually pressing situations.

  However, once a year, the oversight committee, with staff assistance, will conduct a wide-ranging "review and evaluation" of each program in order to gather

information for the next year's planning process. This should take place in January of each year.

- Require and approve corrective action plans and timetables to remedy deficiencies uncovered in the auditing and reporting process. SDA monitoring staff will work with program operators to draw up and implement such corrective action plans and monitor their progress.

  All corrective action plans negotiated with program operators will be reported to and reviewed by the PIC oversight committee at its next regularly scheduled meeting.

- Ensure that the SDA administrative agency as grant recipient contracts for an outside audit of its own financial procedures at least once a year. The PIC will review this audit report.

D. Coordination Agreements

In response to directives from the governor, the local elected official, or as a matter of its own policy, the PIC may choose to enter into financial or non-financial agreements with other public or private agencies in order to improve services to the client populations. SDA staff will advise and assist the PIC in the preparation and implementation of such agreements. Financial agreements should be reviewed by the executive committee before approval by the full PIC.

E. Review of SDA Administration

Once a year the PIC will review the performance of the central administrative staff. The PIC chair and the executive committee are solely responsible for this review. Suggestions for action resulting from the review will be discussed with the local elected official who may implement them at his/her discretion.

F. Program Operations

In addition to its primary planning, policy, and oversight responsibilities, the PIC may, in consultation with the local elected officials, wish to undertake direct operational roles in JTPA activities and in other programs impacting on the community's economic viability and citizens' welfare.

1. The PIC may undertake programs complementary to JTPA activities, which may or may not entail JTPA funds. For example, such programs could involve promotional campaigns geared to employer incentives to hire JTPA clients or support of local educational or social service organizations whose competencies might be employed in future JTPA programming.

2. The PIC may choose to directly operate training programs within the SDA, and engage in other activities -- marketing, labor market research -- funded wholly with JTPA monies. Such activities shall be subject to the planning and budgetary approval process described above as are all JTPA-funded programs. In this event, the SDA administrative agency will exercise its legal functions as grant recipient and administrator with respect to any JTPA funds utilized.

3. The PIC may wish to raise funds from private or non-JTPA sources to support its activities. The expenditure of such funds shall follow the same planning and

budget allocation process as JTPA funds -- including review by the LEO -- and such funds shall be disbursed and accounted for according to the SDA program administrator's standard financial procedures, as are funds from public sources. This includes funds contracted to the PIC to pay staff and operating expenses.

SECTION 2: ROLE OF THE LEO/SDA ADMINISTRATIVE ENTITY

A. Primary Responsibilities.

The PIC/LEO agreements designate this county as grant recipient and program administrator under the terms of the JTPA statute. The county carries out these functions through its Office of Employment and Training. OET's primary responsibility is for JTPA program management even though actual program operations may be carried out by sub-contractors.

1. Grant Management. In its designated role as grant recipient, OET is responsible and liable to the state for proper fiscal and legal management of JTPA funds expended in the entire service delivery area.

The JTPA federal regulations (section 164 (e)) imply that this responsibility includes:

- Establishing and adhering to an appropriate system for the award and monitoring of contracts and subgrantees which contain acceptable standards for insuring accountability.

- Entering into written contracts with sub-grantees which establish clear goals and obligations in unambiguous terms.

- Acting with due diligence to monitor the implementation of the sub-grantee contracts, including carrying out the appropriate monitoring activities (including audits) at reasonable intervals.

- Taking prompt and appropriate corrective action upon becoming aware of any evidence of a violation of the Act or the regulations under the JTPA by such sub-grantee.

The PIC recognizes OET's independent responsibility to the state in these matters of grant management.

The state has established a financial system for the allocation of funds needed to operate approved SDA programs and for the draw-down of these funds to local bank accounts registered in the name of the grantee. In the normal course of JTPA operations, OET will handle all administrative processes related to these transactions without reference to the PIC.

OET makes disbursements from the JTPA account on the basis of invoices submitted by sub-grantees and other vendors, after ensuring the charges are proper in terms of the job training plan and specific sub-contract agreements. In the normal course of JTPA operations, OET will handle all administrative processes related to these transactions without reference to the PIC.

OET will, however, upon request, send copies of all correspondence and forms related to these financial functions to the PIC chair or, at his/her instruction, to a PIC committee chair or to PIC staff. OET will also promptly notify the chair or his/her designee of any problem circumstance which might impact unfavorably upon effective cash flow or timely payment of invoices.

2. Client Eligibility. OET is responsible for assuring that correct eligibility verifications are carried out for clients enrolled in Title IIA, Title IIB, special grant, and other

programs in accordance with the provisions of the JTPA statute, state regulations, and the SDA annual plans.

3. MIS System. OET will ensure that subcontractors and service providers keep proper client records and meet the reporting requirements of the state JTPA management information system. OET will ensure that copies of the routine summary reports of this data which are sent to the state are also sent to the PIC oversight committee. OET will also review this data on an ongoing basis to ensure that the demographic characteristics of the persons receiving JTPA services are in line with the job training plan.

4. Operations Management. OET is responsible for the day-to-day management of all "in-house" and subcontracted SDA employment and training activities. OET is responsible for ensuring that all such activities comply with the provisions of the Act, federal and state regulations, and PIC-approved policy guidelines. The agency will draw up and enter into contracts with program operators in accordance with the SDA annual plan, PIC policies, and state requirements for the provision of services to clients. This role implies a close association with the full PIC and PIC committees. It is anticipated that OET would be represented at all working sessions of these groups in order to provide relevant technical information, programmatic expertise, and operational recommendations for full council or committee consideration.

B. Planning

1. Strategic Planning. The role of OET staff, the LEO's designee in the preparation of the SDA's strategic plan, is discussed above. Specifically:

   - OET receives and interprets for the PIC all planning guidelines, policies, and timetables put out by the state JTPA administration and governor's council.
   - OET proposes a local planning schedule for approval by the PIC's planning committee and then publishes the approved schedule.
   - OET performs staff work to assist the PIC in preparing planning data for input into the strategic planning process.
   - OET provides similar assistance to the oversight committee in preparing their planning inputs.
   - OET may make policy recommendations to the planning committee concerning program options, client target groups, etc., for inclusion in the plan.
   - Following the PIC's policy guidelines, OET prepares a "first draft" document for discussion and review by the PIC and the LEOs.
   - OET prepares the final plan submission in accordance with the PIC's and LEO's decisions and state guidelines.

2. Fund Allocation. Once the strategic plan is approved, OET shall:

   - Negotiate with sole-source vendors.

- Prepare and distribute requests for proposals where that is indicated in the strategic plan.

- Receive formal proposals, hear oral presentations from vendors, review and rank proposals as described above.

- Prepare administrative budgets and program budgets for "in-house" services.

- Prepare "first draft" funding allocation document for approval by the PIC and the LEOs.

- Prepare final document incorporating changes made during the approval process.

- Initiate plan modifications as necessary throughout the year as described above.

C. Monitoring and Oversight

1. OET will establish and conduct an ongoing monitoring system for all subcontracted program activities. This will include:

   - Monthly statistical reports from program operators in a form prescribed by OET. OET will make an initial review of these reports and promptly submit them along with any necessary explanatory comments or suggestions to the appropriate PIC committee.

   - Annual visit and audits of program operations performed by OET staff with assistance from PIC staff and members if desired.

   - Special audits at the direction of the PIC as described above.

   - Assistance to the oversight committee during its annual program review.

Copies of all statistical reports and staff monitoring reports shall be submitted promptly to the oversight committee chair. OET will ensure that the PIC chair, or his/her designee, is immediately made aware of any problem situation which might impact negatively on a subcontractor's performance and which is beyond the scope of regular reporting and monitoring activities.

In the event the performance of any subcontractor gives indication that established program goals may not be met, OET will require that subcontractor to design a plan of prompt corrective action to bring the program's operation into a posture in which program goals can be achieved. OET will review such action with the oversight committee chair and closely monitor the subcontractor's progress under the corrective action plan.

2. OET will arrange for an annual audit of its own JTPA fiscal records and practices. The PIC chair will receive a copy of this report.

3. In accordance with state guidelines and the SDA annual plan, OET will set up and implement (when necessary) a grievance procedure for both clients and contractors in the SDA. Grievance policy and procedures should be approved by the PIC and readily available in writing to any potential grievant. Should the PIC or

one of its committees wish to play a formal role in grievance hearings, this role should be clearly identified in any written procedure developed.

D. Coordination with Other Agencies

OET is responsible for the implementation and oversight of coordination agreements with other agencies entered into as required by the state governor's directives and plan, or by local agreements initiated by either the PIC or the LEO. OET will report to the full PIC or relevant PIC committees on the progress of such coordination efforts according to a mutually agreeable timetable.

E. Technical Assistance

OET should design and implement an ongoing program of technical assistance and staff development to be made available to all program operators in the SDA. This includes provision for attendance at seminars and conferences as well as "hands-on" assistance in specific technical and administrative matters. PIC staff or members may participate in such instruction at their discretion.

F. Representation of SDA

As a general rule, OET should represent and speak for the SDA at conferences, meetings, or forums held by state or federal JTPA administrators to discuss technical, programmatic, or administrative procedures or problems common to all State SDAs. In such representations, OET will act in accordance with the policy guidelines specified by the PIC.

G. Program Operations

The SDA strategic plan may call for certain programs to be conducted 'in-house." OET may set up separate operating divisions to perform these 'in-house" programs. In this event, it is important to assure that these programs are managed by OET staff other than those who are directly concerned with JTPA grant management and administration.

OET's grant management and administrative personnel will have the same relationship to OET units operating JTPA-funded programs as they have toward other subcontractors operating such programs with respect to reporting, monitoring, review of PIC Committee, audit, and corrective action.

H. Organization of the SDA Administrative Entity

The County is an independent municipal corporation which operates under its own internal personnel and operating policies approved by its elected officials. The County Commissioners are ultimately responsible for the County's conduct of JTPA activities. OET is a line department of the city reporting to the Commissioner through which he/she exercises this responsibility as defined in the SDA governance agreements. The Commissioners alone have discretion over the internal organization, job descriptions, and compensation of personnel at OET.

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE _____ EMPLOYMENT AND TRAINING CONSORTIUM _____

AND

THE _____ PRIVATE INDUSTRY COUNCIL (PIC)

WHEREAS, the U.S. Congress found that an effective job training program requires a true partnership be established between business and local government and therefore mandated under Section 103 (b) of the Job Training Partnership Act (JTPA, P.L. 97-300) that in each Service Delivery Area of each state an Agreement be reached between the appropriate representatives of business and local government, and

WHEREAS, _____ Private Industry Council hereinafter referred to as "the PIC") is the appropriate representative of business in SDA __ pursuant to the Governor's certification, and is composed and appointed consistent with the provisions of Section 102 JTPA, and

WHEREAS, _____Consortium, (hereinafter referred to as "the Consortium") _____ consisting of the counties of _____ and the City of _____, is the appropriate representative of local government pursuant to _____ agreement executed and approved by the Governor;

IT IS THEREFORE AGREED that the SDA _____ and PIC work in partnership in establishing and operating a JTPA program in SDA ___ in accordance with the functions and responsibilities delegated to each partner by this agreement, and consistent with the terms and conditions established by this agreement.

I.

LOCAL TRAINING PLAN DEVELOPMENT

A. The parties hereby agree the PIC shall develop and prepare the Local Training Plan in consultation with the Consortium with the assistance of the Administrative Entities. The consortium members of the six (6) county area shall have final approval and responsibility of the Local Training Plan.

B. The _____ Chairperson or designee shall meet jointly with the PIC Executive Committee or designee to establish the general parameters and goals of the Local Training

Plan. Each party shall, in turn, submit to the _____ and PIC, respectively, that tentative draft for approval and ratification.

II.

DESIGNATION OF GRANT RECIPIENT/ADMINISTRATIVE ENTITY/SERVICE PROVIDER

A. GRANT RECIPIENT

1. The parties hereby designate the _____ as the Grant Recipient under the Job Training Partnership Act for all programs but Title III in the six (6) county _____ SDA _____ in accordance with Section 103 (b) (1) (B) of the Act. _____ shall be the Grant Recipient and Administrative Entity for JTPA Title III programs.

2. As Grant Recipient, the _____ shall be designated to receive the Job Training Partnership Act funds for Title II and perhaps other titles of the Act, on behalf of the six (6) county SDA 10. As Grant Recipient, the _____ accepts the powers, duties, liabilities and responsibilities inherent in such role.

B. ADMINISTRATIVE ENTITY

The parties agree that the City of _____ shall be the Administrative Entity for SDA 10 for all programs but Title III of the Act. As the Administrative Entity, the City shall administer programs as described in the Local Training Plan and pursuant to the Act, rules and regulations. In accordance with Section 141 (i) of the Act, administrative responsibilities and authority include, but are not limited to:

1. Selection and hiring of the staff, and related personnel matters of the staff, with the duties of carrying out the responsibilities of the PIC as outlined in this Agreement;

2. Receipt, disbursement and allocation of all funds related to program operations;

3. Collection of program data necessary for the management and evaluation and the preparation of required and desired reports;

4. Monitoring and evaluating program operations pursuant to the Act. The PIC will evaluate program and performance in coordination with _____. The Administrative Entity, overseen by the PIC and _____, will monitor subcontractors;

5. Awarding contracts with vendors and bidders for services described in the Local Training Plan. The Consortium and PIC shall approve all contracts and review all expenditures;

6. Determining and verifying participant eligibility as described in the Act;

7. Procurement and maintenance of fixed assets and expendable supplies necessary for program operations;

8. Collection and disposition of program income generated by program activities pursuant to OMB Circular A-102 and 49 CFR 29-70-215;

9. Appropriate action taken against any subcontractor or subrecipient to ensure compliance with the Act, its regulations, any subcontract or sub-agreement made under the Act, or any other laws or regulations imposing requirements upon the Administrative Entity;

10. Management of the system to hear and resolve grievances or complaints brought by participants, vendors, or any other interested parties as required by Section 144 (a) of the Act.

C. TITLE III GRANTEE

The parties agree that the _____ shall be the Title III Grantee for the SDA. As the Title III Grantee, _____ shall administer programs as described in the Local Training Plan and pursuant to the Act, rules and regulations. In accordance with Section 141 (i) of the Act, administrative responsibilities and authority include, but are not limited to:

1. Selection and hiring of the staff, and related personnel matters of the staff, with the duties of carrying out the responsibilities of the PIC as outlined in this Agreement;

2. Receipt, disbursement and allocation of all funds related to program operations;

3. Collection of program data necessary for the management and evaluation and the preparation of required and desired reports;

4. Monitoring and evaluating program operations pursuant to the Act. The PIC will evaluate program and performance in coordination with _____. The Title III Grantee, overseen by the PIC and _____, will monitor subcontractors;

5. Awarding contracts with vendors and bidders for services described in the Local Training Plan. The Consortium and PIC shall approve all contracts and review all expenditures;

6. Determining and verifying participant eligibility as described in the Act;

7. Procurement and maintenance of fixed assets and expendable supplies necessary for program operations;

8. Collection and disposition of program income generated by program activities pursuant to OMB Circular A-102 and 49 CFR 29-70-215;

9. Appropriate action taken against any subcontractor or subrecipient to ensure compliance with the Act, its regulations, any subcontract or sub-agreement made under the Act, or any other laws or regulations imposing requirements upon the Administrative Entity;

10. Management of the system to hear and resolve grievances or complaints brought by participants, vendors, or any other laws or regulations required by Section 144 (a) of the Act;

11. The Title III Grantee shall be selected annually by competitive processes overseen by the PIC and Consortium.

D. SERVICE PROVIDER

In accordance with Section 181 (j) (2) of the Act, the _____ and the PIC shall ensure delivery of service by provided under the Act.

III.

RESPONSIBILITIES OF THE PRIVATE INDUSTRY COUNCIL

A. The PIC shall develop and prepare the Local Training Plan in consultation

B. The PIC shall provide recommendations and, in accordance with the Local Training Plan, shall provide guidance to _____ to

ensure compliance with the plan by all persons with responsibilities under this Agreement.

C. The PIC shall solicit the views and participation of the local business communities in the provision of program services to eligible residents of the six (6) county area.

D. The PIC shall notify the _____ Chairperson immediately of any vacancy upon the Council for appointment under the provisions of the Act.

E. The PIC will develop and approve the Local Training Plan budget, review all program expenditures, and approve the total number of staff and total personnel expenditures.

F. In accordance with Section 103 (e) (1), the PIC shall prepare and approve a budget for itself commensurate with the duties, which, by this Agreement, it is obligated to assume.

IV.

JOINT RESPONSIBILITIES OF THE PRIVATE INDUSTRY COUNCIL AND THE _____ CONSORTIUM

A. The _____ and the PIC agree to jointly approve the Local Training Plan.

B. The Local Training Plan and any modifications thereto shall be approved by the __)___ and the PIC before submission to the Governor as mandated by Section 103 (d).

C. The Vice-Chair of the PIC and _____, respectively, shall meet periodically with the Administrative Entity Staff and Title III Grantee to conduct oversite review of JTPA programs.

D. Any communication required to be made between the PIC and the Chairperson of the Consortium shall be made on behalf of the Administrative Entity to the _____.

E. Minutes of each PIC meeting or any of its subcommittees will be forwarded to the _____ within seven (7) days after adoption. Similarly, the minutes of each Consortium meeting of any of its subcommittees, will be forwarded to the designated recipient on behalf of the PIC within seven (7) days after adoption.

F. The Executive Committee of the PIC and the Consortium may meet periodically to coordinate communications between the Grant Recipient, the Administrative Entity, the Service Providers, and the parties hereto.

G. DISPUTE RESOLUTION: As the Job Training Partnership Act indicates that equal partnership exists, any disputes, including the need to modify this Agreement, between these partners in which either party invokes these procedures shall be resolved by mutually satisfactory negotiations at a time and place selected by the Chairpersons. Negotiations will be handled through the _____ Chairperson and the PIC Executive Committee or its designee. Any meetings between the _____ Chairperson and the PIC Executive Committee or its designee shall be jointly chaired by the _____ Chairperson and the PIC Chairperson. If an impasse exists, the Chairs shall contact the Governor's Department of Economic Development to provide technical assistance in resolving the impasse.

H. It is the joint authority and responsibility of both partners to ensure effective service delivery which provides the most beneficial mix of program options to the eligible residents of the _____ county Service Delivery area. It is further the shared responsibility and authority of the partners to stimulate the active, effective participation of all sectors of the six county community in the provision of Job Training services.

I. The PIC shall meet with the person designated by Job Service of _____ to ensure the applicable component for the Job Service of Iowa plan, as mandated by Section 501 JTPA, be included in the Plan. As a part of this review procedure, a public hearing will be held by the PIC.

J. The PIC and _____ shall jointly review the Job Services Plan on an award basis.

V.

TERM OF AGREEMENT

This agreement shall be effective on the date of receipt of the Governor's approval of this agreement and shall continue until terminated by any party hereto. Any party may terminate by giving a 120-day written notice of intent to terminate to the other parties. By joint consent, this agreement may be modified by the PIC and Consortium at any time.

VI.

MERGER

It is understood that the entire Agreement between the parties hereto is contained herein and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof. All items referred to in this Agreement are incorporated or attached and are deemed to be a part of this Agreement.

CHARTER OF THE _____
PRIVATE INDUSTRY COUNCIL

Chapter 1: Establishment of the Private Industry Council

Pursuant to the Job Training Partnership Act of 1982, being Public Law 97-300 (hereinafter referred to as the "Act"), and the Rules and Regulations promulgated by the United States Department of Labor in relation thereto, the _____ Private Industry Council (hereinafter referred to as PIC), is hereby established, which shall operate pursuant to the following Charter in conjunction with the _____ Consortium (hereinafter referred to as _____).

Chapter 2: Areas to be Served by the PIC

The areas to be served by the PIC are located within the geographical boundaries of the counties of _____ (hereinafter referred to as the "Service Delivery Area" or "SDA").

Chapter 3: Purpose of the PIC

The PIC's function shall be to increase the involvement of the business community in the Service Delivery Area, including small business, minority business enterprises, and labor organizations in employment and training activities under the Act, and to increase private sector employment opportunities for economically disadvantaged persons. The PIC shall carry out this function by participating with the _____ Board of Directors (hereinafter referred to as the "Board"). The PIC shall participate with the _____ Board in the development and implementation of programs under the Act. The PIC is authorized to review and monitor all employment and training programs under the ACT and to provide objective evaluations of such programs operating i the SDA for the purpose of improving the utilization and coordination of the delivery of such services. Procedures for evaluating programs not funded by the Act, for the purpose of determining possible funding, shall be developed in cooperation with the agencies to be affected thereby. The PIC shall perform such other duties as required by the Act.

Chapter 4: Membership of the PIC

The PIC shall initially consist of a single unit composed of members appointed by the _____ Board. Membership on the Private Industry Council shall initially be limited to a maximum of 25 voting members. Said Board shall appoint members from the leadership and/or decision-making positions of each of the following entities:

(a) General

A majority of the PIC membership shall be representatives of private sector industry and business (including small business and minority business enterprises). The PIC shall also include members representing organized labor, community-based organizations, educational agencies and institutions, public employment service, rehabilitation agencies, and economic development organizations.

(b) Private Sector Business and Industry Members

(1) Efforts shall be made to appoint business and industry members for the PIC who will be representative of the private for profit employment community in terms of the types of business represented, such as small businesses, minority-owned businesses, businesses owned by women and others reflective of the commercial, industrial, and demographic makeup of the SDA business community.

(2) Where possible, at least half of the industry and business representatives shall be representatives from small business. For purposes of this requirement, "small business" means any private for profit enterprise employment five hundred (500) or fewer employees.

(3) Either the residence of the prospective PIC member or the location of the business or organizations with which that person is associated may be considered in appointments to the PIC.

(c) Additional Members

At lease one (1) representative of each of the following shall be included among the PIC membership:

(1) Organized Labor
(2) Community Based Organizations
(3) Educational Agencies and Institutions
(4) Public Employment Service
(5) Economic Development Organization
(6) Rehabilitation Agency
(7) Other

(d) Appointment

PIC members will be appointed by the _____ Board from nominations received from local general purpose business organizations in the case of private sector business and industry members and from local educational agencies or institutions in the case of education representatives. Labor members shall be selected from persons recommended by state and local labor organizations or appropriate building

trades councils, and the other entity members shall be selected from persons recommended by other applicable interested organizations. The Board shall consider nominations of at least one hundred fifty percent (150%) of the vacancies to be filled when appointing private sector members. The PIC Nominating Committee shall review all membership nominations then provide the PIC with its recommendations for each appointment. The PIC will provide the Board its recommendations for each appointment prior to the Board making such appointment.

(e) Terms

PIC members shall be appointed to fixed and staggered terms. Thirteen (13) members, including the Public Employment Service member, shall serve one-year terms converting to two-year terms at the conclusion of the first term. The remaining twelve (12) members shall serve two-year terms. In the event a member resigns or is removed from the PIC, or ceases to hold a leadership and/or decision-making position with the entity he/she represents, a new member shall be nominated and appointed by the _____ Board within sixty (60) days of such resignation, removal or loss of leadership and/or decision-making position in the same manner as original appointments. The person so appointed shall serve until the end of the term in which he/she was appointed. After the initial term expires, members will be replaced/continued by nomination and appointment by the _____ Board in the same manner as original appointments. Such nomination and appointment shall be accomplished sixty (60) days before the end of the member's term in order to minimize the time during which membership will not be at its full complement.

(f) Designate Representatives

PIC members shall personally attend PIC meetings when at all possible, but in those isolated cases where attendance or participation is impossible, members may designate another person who holds a leadership and/or decision-making position in and is engaged primarily in the sector which the member represents, by filing a written authorization at the _____ Administrative office and subject to approval of the _____ Board Chair. Said designee shall be counted for the purposes of determining the presence of a quorum at PIC meetings and shall have the power to vote on the behalf of the member he/she represents.

Chapter 5: Organization of the PIC

The PIC shall meet for its initial meeting at a time and date established by the _____ Board. At the initial meeting of

the PIC, the PIC shall adopt and put into effect its Charter. At such time the PIC members may elect a chairperson, vice-chairperson, and other officers it deems necessary, from its members. Said officers shall serve until the regular PIC meeting of July 1984, at which time a new election shall take place. Elections of officers shall be held at the regular PIC meeting in July of each year thereafter. If any office becomes vacant at any time between elections, the PIC members shall hold a special election to fill the office. The person elected for such office shall serve until the next annual election. Officers may be reelected. The PIC chairperson shall be selected from among the private sector business or industry members.

The Administrator of _____ shall act as the PIC's secretary.

Subcommittees, at the direction of the PIC's Chairperson, may be established for the purpose of dealing with particular areas of concern.

Chapter 6: Nominating Committee of the PIC

The PIC shall establish a Nominating Committee composed of four (4) private sector representatives, and one (1) representative from each of the following groups, represented on the PIC:

(a) Education Institution
(b) Organized Labor
(c) Community Based Organization, Public Employment Service, Economic Development Corporation, Rehabilitation Agency, and Other.

Said representatives shall be elected by the members of their respective groups by a majority vote and shall serve for a period of one (1) year except for the initial appointment which will expire July 1984. Nominating Committee members shall be eligible for reelection. If, for any reason, a vacancy occurs on the Nominating Committee, the group whose representation has been lost due to said vacancy shall hold a special election within thirty (30) days from the date in which the vacancy occurred to select a new representative, who shall serve until the end of the term in which he/she was elected. The Nominating committee shall carryout specific assignments under the direction of the PIC.

At least once each year the Nominating Committee shall review PIC membership/designee meeting attendance, during the past year, for the purpose of recommending the continuing composition and/or expansion or reduction of the PIC membership. The Nominating committee may also recommend the removal of those PIC members whose attendance at PIC meetings during the past year, has been unsatisfactory. Members who during any continuous six-month period, commencing February 15, 1984, miss more than

half of the meetings of the PIC without getting an alternate shall be recommended to the _____ Board for replacement. The PIC shall make a determination on the Nominating Committee's recommendations within thirty (30) days of their receipt. If such determination is to expand the membership, then the procedure set out in Chapter 4: Membership of the PIC, shall be adhered to.

Chapter 7: Meetings of the PIC

The PIC's first official meeting and all meetings thereafter shall be held at an established place accessible to the public. At the first official meeting, and at a meeting held in July in each year after 1983, the PIC shall establish a meeting schedule for the next twelve (12) months.

The PIC shall hold at least one (1) regularly scheduled meeting each month unless it shall be determined by the Chairperson or Acting Chairperson's determination to not hold such a meeting. It shall be the responsibility of the Chairperson or Acting Chairperson to notify all members of the Council within five (5) days prior to a regularly scheduled meeting. Special meetings of the PIC may be called upon written request of the chairperson or any four (4) PIC members, or by the CAPC Board, submitted to the PIC Chairperson five (5) days prior to the date of the requested meeting. Any special meetings of the PIC which are convened shall be limited to a discussion of an action upon the specific issue for which the meeting was called. All meetings of the PIC shall be held in compliance with _____ Open Meetings Act, 1976 PA 267, as amended. The PIC's secretary shall be responsible for insuring that meetings are held in compliance with said Act.

A quorum of the PIC for the purpose of conducting business at all PIC meetings shall consist of no less than the majority of the members, being thirteen (13) of the PIC members of their designees as PIC shall initially be established. In the event that a quorum is not present at a regular or special meeting, those PIC members present may form a Committee of the Whole to discuss, but not to decide or act upon, the matters which were to be raised at the meeting.

All PIC meetings, regular and/or special, shall be conducted in accordance with Robert's Rules of Order, except where said rules of order conflict with any provision of the Charter.

Chapter 8: Voting and Conflicts of Interest

Each member of his/her designee of the PIC shall have the right to vote on matters coming before the PIC at regular and/or specially scheduled meetings. At no time shall a PIC member exercise more than one vote on any matter. PIC members who

represent entities which contract for Employment and Training services with the _____ shall abstain from voting on matters which directly affect the entity they represent.

PIC members shall, at all times, conduct themselves in such a manner as to avoid conflicts of interest.

Chapter 9: Staff Support for PIC

The _____ Administrative Office shall provide professional, technical, and clerical support to the PIC in all matters relating to the planning, operation, monitoring, and evaluation of Employment and Training programs conducted in the SDA. The _____ Administrative Office shall provide other JTPA related services as are required by the PIC.

Chapter 10: Amendment Procedures

This Charter may be amended only by resolution adopted by the PIC during a regularly scheduled meeting. Prior to any revision of said Charter, all members of the PIC shall be notified in writing and be given opportunity to discuss said revision at the next regularly scheduled meeting following the written notification.

Chapter 11: Termination of the PIC

The PIC shall remain in existence until such time that the JTPA is repealed by Congress.

Chapter 12: Conflict

If there is any conflict between the Act and the Regulations promulgated pursuant thereto and this Charter, the Act and/or Regulations shall prevail.

If any provision of this Charter is held invalid, the remainder of the Charter shall not be affected thereby.

AGREEMENT AND CHARTER
OF THE
_____ PARTNERSHIP CONSORTIUM

CHAPTER 1: ESTABLISHMENT OF THE CONSORTIUM

Pursuant to the _____ the _____ is herby established by the mutual agreement of the duly elected legislative bodies of the Counties of _____, for the purpose of carrying out the programs under the Federal Job Training Partnership Act of 1982, and the regulations promulgated in relation thereto, as well as other employment and training functions and programs.

CHAPTER 2: PURPOSE OF THE CONSORTIUM

The _____ (hereinafter referred to as _____) shall carry out the provisions of the Federal Job Training Partnership Act of 1982 and the regulations promulgated in relation thereto (hereinafter referred to as the Act), in order to provide job training and employment opportunities for economically disadvantaged, underemployed and unemployed persons in the _____ county regional area of _____ (hereinafter referred to as Service Delivery Area), and shall, to the maximum extent possible, insure that training and other services lead to employment opportunities and enhance self-sufficiency by establishing flexible local programs. _____ shall carry out, or shall contract for, employment and training programs and other services as required by the Act. _____ may receive funding from sources other than the Act in order to provide programs and/or services or to contract for programs and/or services for the purposes stated hereunder.

CHAPTER 3: LIABILITY-ASSETS AND SERVICE DELIVERY AREA

Consistent with state and/or local law, each governmental unit signatory to the Agreement accepts the responsibility of the operation of programs as authorized under this Charter, and shall be held jointly and severally liable for use of funds obtained under this Contract. Any governmental unit which does not choose to accept financial liability for a contractor or service provider may veto any appropriation of funds to that contractor or service provider for services in its area. To the extent that funds, assets or resources of the constituent counties, other than federal funds, are contributed to ___, and in the event of termination of ____, such funds, assets or resources left after dissolution shall be divided into equal shares and returned to

each of the participating counties, regardless of the actual contribution made by said counties. All assets and liabilities of the _____ shall be and are transferred in total to _____ upon the establishment of the same as provided hereunder.

The service delivery area shall be as stated below:

	Population
_____ County	
_____ County	
_____ County	
_____ County	
TOTAL	

CHAPTER 4: ESTABLISHMENT OF A BOARD OF DIRECTORS

The Board of Directors (hereinafter referred to as "Board"), shall consist of eight (8) members. Said members shall be elected chief executives and/or local elected officials of the Counties of _____, _____, _____, or their designees. Designees may be appointed, in writing, by the selected elected officials and shall act on the Board with full authority of the individual official they represent. The Board shall consist of two (2) representatives from _____ County; two (2) representatives from _____ County, and two (2) representatives from _____County. Each constituent unit of government shall establish its own rules and procedures for selecting eligible representatives to the Board. Once selected, the persons appointed by each constituent unit of government shall serve for their elected term of office or may have their designee so serve. In the case of a designee, said person shall serve until removal by the appointing person.

Organization of the Board of Directors and Effective Date of Charter. This Charter shall take effect following its approval by the Counties of ____, _____, _____, and after approval by the Governor of _____. The Board shall convene on the first Monday of the next month following all approvals. At that time, the Board shall elect a chairperson and vice-chairperson from among its members. These officers shall serve until the next meeting held in the succeeding January, when a new election shall take place. After the first election, all Board officers shall serve for one (1) year thereafter, and shall be eligible to serve for another term if elected. The Administrator of the Consortium shall act as Secretary to the Board of Directors. The Board shall be empowered to adopt rules of order

that do not conflict with any provision of this Charter, express or implied. In each meeting held in January, the Board shall set meeting dates, time and place for the remainder of the year for Board meetings.

Meetings of the Board of Directors. The Board shall meet in an established place which is accessible to the public, and shall schedule at least one regular meeting in each month. The initial location of the business office of the Consortium shall be _____, _____, _____, and may be changed from time to time by the Board. Consortium records shall be kept at its business office, and it shall be the mailing address. Special meetings of the board may be called upon the request of any three (3) Board members to the Board Chairperson, submitted in writing a minimum of twenty-four 24 hours prior to the time in requested for such a meeting, and upon notification to all Board members. Any special meetings of the Board which are convened shall be limited in scope to discussion of the specific issue for which the meeting was called and notice given. A quorum shall be required for all meetings. A quorum shall consist of five (5) Board members. A quorum shall be required in order to conduct business. Five (5) affirmative votes or the majority of the membership present, whichever is greater, shall be required in order to pass any motion or resolution except where otherwise stipulated in this Charter. (Pursuant to the above, if there are seven members present, five (5) affirmative votes are required to pass any motion or resolution. If there are eight members present, five (5) affirmative votes are required to pass any motion or resolution.) Votes on all measures shall be recorded by the Secretary. The Open Meetings Act, _____ shall be complied with and the Secretary to the Board shall perform all functions necessary to comply with said Act.

Committees of the Board of Directors. The Board shall not establish standing committees to carry out any of its business. In the event that a quorum is not present at a regularly scheduled meeting, the Board may reconstitute itself as a Committee of the Whole for the purposes of discussion only.

CHAPTER 5: POWERS, DUTIES, AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The powers, duties, and responsibilities of the Board of Directors shall be:

1. To establish a regional administrative entity with the concurrence of the Private Industry Council, and to provide for the general supervision of an Administrator who is the executive and manager of the administrative entity.

2. To approve, disapprove, modify or amend the service delivery plans developed by the Administrative staff and PIC and to submit approved plans to the appropriate authorities. Said plan shall:

a. Set forth a description of the services to be provided and performance goals, assure that such services will be administered by or under the supervision of the Board, describe the geographical area to be served, and assure that to the maximum extent feasible, services will be provided to those individuals who need them most.

b. Assure that any monies received for implementation of programs comply with the Act and other funding source requirements.

c. Provide assurances that programs of institutional training will be designated for occupations in which skill shortages exists and that the training will, whenever possible, result in employment which provides economic self-sufficiency as required by the Act.

3. To review, approve, disapprove, modify, or amend a budget for all operations in each fiscal year.

4. To hereby grant the Chairperson of the Board, or in his/her absence, the Vice-Chairperson, acting on behalf of all Chief Elected Officials in the ____ counties, the power to sign, executive and do all things incident and necessary to properly submit grant applications and any necessary modifications thereto regarding the Act, or other grants. The Chairperson, or in his/her absence, the Vice-Chairperson, shall also have the power, acting on behalf of all Chief Elected Officials in the ____ counties, to sign all documents, including, but not limited to, contracts. However, prior to the execution of any documents as stated above, the Board shall approve the same.

5. To select the members of the PIC in accordance with the procedures outlined in Chapter 7.

6. To implement and operate or to contract for implementation and operation of programs and services approved by the Board.

7. To request from the Administrative Entity regular reports concerning the status, both financial and operational, of all Consortium programs.

8. The Board is prohibited from deficit financing and has no authority to tax or to borrow.

CHAPTER 6: STRUCTURE OF THE REGIONAL ADMINISTRATIVE ENTITY

The Administrative Entity shall be selected by a majority of the total Board membership in agreement with the Private Industry Council. The Administrative Entity will serve at the pleasure of the Board and shall only be succeeded if two-thirds

of the total members of the Board so vote in a public meeting of the Board. The Regional Administrative Entity shall be composed of an Administrator, who is the executive and manager of the Administrative Entity, and Secretary of the Board, and other subordinate staff deemed necessary to facilitate the planning, implementation, operation, monitoring and evaluation of programs for the region. Administrator of the Administrative Entity is empowered to fill all staff positions as provided for in the Administrative budget unless disapproved by a majority of the total Board.

CHAPTER 7: ESTABLISHMENT OF A PRIVATE INDUSTRY COUNCIL

The Board of Directors shall establish a Private Industry Council (hereinafter referred to as PIC), in compliance with the Act. The PIC shall appoint a Chairperson from among its members, as required by the Act. The Administrator of _____ shall be the Secretary to the PIC.

CHAPTER 8: DUTIES AND RESPONSIBILITIES OF THE PIC

The PIC shall submit recommendations regarding overall programs, plans and basic goals, policies and procedures to the Board and Administrative Entity. The PIC shall also provide oversight review of employment and training programs conducted in the SDA, as well as a continuing analysis of needs for employment, training, and related services in he SDA. The PIC shall perform such other duties as required by the Act.

CHAPTER 9: DUTIES AND RESPONSIBILITIES OF THE ADMINISTRATIVE ENTITY

The Administrative Entity shall have the following duties and responsibilities and such other duties as may be required or directed by the Board:

1. To prepare plans as directed by the Board and the PIC for the region which:

   a. assess the employment and training potential of the regional labor market.

   b. assure that outreach work occurs which makes citizens of the region aware of the availability of services.

   c. provide for orientation, counseling, education, and institutional skill training designed to prepare individuals living in the region to enter the regional labor market or to qualify for more productive job opportunities in that labor market.

d. provide on the job training opportunities.

e. provide service to individuals to enable them to retain employment.

f. provide supportive services to enable individuals to take advantage of employment opportunities, including necessary health care and medical services, child care, residential support, or any other necessary service incident to employment.

g. develop information concerning labor market and activities, such as restructuring of jobs to make them more responsive to objectives of the Act.

h. develop training, employment opportunities, and related services conducted by regionally based organizations.

2. To develop a budget for submission to the Board, which is prepared in accordance with federal and state guidelines and the provisions of the Act.

3. To provide professional, technical, and clerical support to the PIC and the Board in all matters relating to the planning, operation, monitoring, oversight, and evaluation of programs in the region.

4. To develop and carry out a program to monitor and evaluate programs authorized by the Board and/or the PIC. It shall perform such other duties as are directed by the Board.

5. To provide for the operation of all programs which are carried on under the direct authority of the Board.

CHAPTER 10: AMENDMENT PROCEDURES

This Charter may be amended only by mutual written agreement of the Counties of _____, _____, _____, and _____.

CHAPTER 11: TERMINATION OF CONSORTIUM

This Charter and Consortium shall continue until such time that the Job Training Partnership Act of 1982 is repealed by Congress and all necessary close-out functions are completed. However, notwithstanding the above, any governmental unit which is a party to this Agreement and Charter may withdraw from the Consortium upon prior written notice of 120 days before the end of any fiscal year, to the respective legislative bodies composing membership in the Consortium.

CHAPTER 12: STATUS

The Consortium shall have separate legal status.

CHAPTER 13: CONFLICT AND AUTHORITY

If there is any conflict between the Act and this Charter, the Act shall prevail. Each of the constituent members of the Consortium possess the power and authority to enter into this Agreement and Charter.

AGREEMENT
BETWEEN
_____ PRIVATE INDUSTRY COUNCIL

AND
THE CHIEF ELECTED OFFICIALS OF
_____ JOB TRAINING PROGRAM

This agreement is made and entered into by and between the _____ Private Industry Council, hereinafter referred to as the PIC and the Chief Elected Officials of the _____ Job Training Program, Inc., hereinafter referred to as the LEOs; and

WHEREAS, the Job Training Partnership Act, (29 U.S.C. 1501 et. seq. Public Law 97-300, 96 Stat. 1322), hereinafter referred to as the Act, authorizes the expenditure of federal funds for job training programs in locally determined Service Delivery Areas (SDAs); and

WHEREAS, the counties of _____, _____, and _____ have been designated by the Governor of the State of _____ as a legally constituted Service Delivery Area; and

WHEREAS, the Act requires the establishment of the Private Industry Council to provide policy guidance and oversight with respect to activities under the job training plan and oversight of the programs conducted under the job training plan for the local SDA; and

WHEREAS, the State of _____ has interpreted that the partnership agreement is to be a formally established written legal agreement between the LEOs and the PIC; and

WHEREAS, this aforementioned agreement is to represent and protect the best interests of both parties to the mutual benefit of the citizens and communities of the State of _____; and

WHEREAS, the Act specifies that the LEOs and the PIC must jointly submit the SDA's job training plan to include the selection of the grant recipient and the administrative entity;

NOW THEREFORE, be it resolved that this Agreement pursuant to the Act be made and entered into by and between the PIC and the LEOs.

1. **Designation of the Service Delivery Area Grant Recipient**

   The Chief Local Elected Officials of the SDA, as designated by the Act, shall have the authority to act as the grant recipient for the SDA. This may designate one of their

members, any consortium of members, or any combination so agreed upon by the collective body of officials to act as grant recipient.

2. **Designation of the Service Delivery Area Administrative Entity**

An incorporated coalition made up of the 10 local elected official representatives will act as administrative entity. It will act as the program's administrator and will not subcontract its responsibility to any other entity. It is understood that this entity will hire staff to perform the day-to-day functions of the administrative entity. This entity agrees to abide by all legislative requirements, State policy guidelines, administrative requirements, and any other applicable specifications so designated by the PIC. It is further understood that this entity will faithfully enact the policy set by the PIC and be subject to monitoring and oversight by the PIC.

It is agreed that the PIC will have full authority and responsibility for the selection of the executive director of the administrative entity. It is further understood that all replacements for this position will follow the same procedure. It will be the responsibility of the administrative entity to fill all other staff positions for the day-to-day functioning of the administrative entity.

It will be the responsibility of the administrative entity to provide all required information for the pre-award survey.

3. **Procedures to be Used in Developing the Job Training Plan**

It is the intent of the PIC to comply with its legislative responsibility to provide policy guidance for and exercise oversight over all activities of the job training plan for the SDA. It is agreed that the PIC will have authority to develop policy guidance for the plan. It is further agreed that the LEOs will have an opportunity to provide input and guidance into the plan development. It is further understood that contained within the plan and policy guidelines will be the provision that the PIC will review all requests for proposals and retain full authority to perform oversight of the same. The policy guidance for the plan development will be prepared by the PIC. This policy guidance will include but is not limited to the following:

1. Identification of areas of need
2. Identification of population to be served
3. Potential subjects to be addressed by the plan
4. Prioritization of those subject areas

5. Any designation of focus subjects and/or concentration of effort specifications
6. Performance standard and/or cost limitation standards
7. Selection criteria for service providers

Once the policy guidelines are developed, the administrative entity will be responsible for preparing the actual job training plan, including budgets. Once prepared, the plan will receive a final review and approval from the PIC. In addition to the actual preparation of the job training plan, it will be the responsibility of the administrative entity to submit proposed procedures in accordance with section 105 of the Act for review and comment concerning the plan. These procedures will be reviewed and approved by the PIC.

4. **Functions and Responsibilities Under the Partnership Act**

I. Authorities and Responsibilities of the Private Industry Council

A. The PIC shall provide policy guidance to the LEOs on matters pertaining to the provision of services under the Act.

B. The PIC shall provide policy guidance for the plan development and review and approve the job training plan prepared by the administrative entity pursuant to the Act.

C. The PIC shall exercise oversight over all activities of the job training plan of the SDAs. The PIC's report shall be distributed by the PIC to its membership and the LEOs in a timely manner.

D. The PIC shall solicit the input and participation of the local business community in the provision of program services to eligible residents in the SDA.

E. The PIC shall construct its own by-laws, as appropriate, in accordance with the job training plan, exercise its option under Section 103 (E) (1) and (2) to prepare and approve a budget for itself and hire staff.

II. Authorities and Responsibilities of the Local Elected Officials

A. The LEOs, as the administrative entity, shall prepare a job training plan pursuant to the Act which shall be approved jointly by the PIC and the LEOs prior to its submission to the Governor as described in the Act.

B. The LEOs, as the administrative entity, shall administer programs as described in the job training plan and pursuant to the Act, rules and regulations promulgated to carry out the purposes of the Act; and applicable federal, state and local laws, rules, and regulations.

Administrative responsibilities and authorities shall include:

1. Selection and hiring of staff.
2. Receipt and disbursement of all funds related to program operations.
3. Collection of program data necessary for management and evaluation and the preparation of required and desired reports.
4. Monitoring and evaluating program operations pursuant to the Act.
5. Contracting with vendors for services described in the job training plan.
6. Determination and verification of participant eligibility as described in the Act.
7. Procurement and maintenance of fixed assets and expendable supplies necessary for program operation.
8. Collection and disposition of program income generated by program activities pursuant to OMB Circular A102,49 CFR 29-70. 205 and _____ Management and Cost Principles.

C. The LEOs shall procure audits of funds as required under the Act and shall resolve any questions arising from said audit.

D. The LEOs shall develop and manage a system to hear and resolve grievances brought by participants, vendors, and other interested parties as required by the Act.

E. The LEOs shall respond to PIC oversight reports and take corrective action within the prescribed timeframe.

III. <u>Authorities and Responsibilities Held Jointly by Both Parties</u>

A. As the Act indicates that an equal partnership exists, any disputes between the partners in the Agreement shall be resolved by mutually satisfactory negotiations.

B. It is the joint authority and responsibility of both partners to ensure effective service delivery which provides the most beneficial mix of program options to the eligible residents of the SDA. It is further the shared responsibility and authority of the partners to stimulate the active, effective participation of all sectors of the community in the provision of job training services.

5. **Oversight Responsibilities**

It is understood that, when the PIC performs oversight and determines non-compliance by the Grant Recipient/Administrative Entity or a Subrecipient, the PIC will issue a timely report to the Administrative Entity with recommended corrective action and specific timeframes for corrective action to be taken. It is further understood that when the PIC and LEO mutually agree that any subrecipient is not performing the standards of the contract and acceptable corrective action has not been taken, the contract may be cancelled.

Also, it is further understood that, when the PIC determines that the Grant Recipient/Administrative Entity is in non-compliance with the act or the job training plan and acceptable corrective action has not been taken, a joint meeting between the PIC and LEOs will be called to resolve the non-compliance issue. If the issue cannot be satisfactorily resolved, an acceptable third party will be asked to assist in mediating the issue to a successful conclusion.

PIC/LEO AGREEMENT

Addendum

This agreement and all future agreements shall cover the time period reflective of the JTPA program year, July 1 through June 30. Therefore, this agreement and all future agreements, shall be renegotiated and renewed on an annual basis.

Either the PIC or LEO may request a modification to this agreement through the Chair of either board prior to the renewal date of the annual agreement. This written request must be acknowledged by the other party within 30 days. A joint meeting of the executive boards would be called by their respective chairs to discuss requested modifications before taking to full boards for vote. If the executive boards cannot reach tentative agreement on the modification(s), then a joint meeting of the PIC and LEOs would be called. If the issue cannot be satisfactorily resolved, an acceptable third party will be called in to assist in mediating the issue to a successful conclusion.

This addendum has been approved by the PIC and the LEO and is effective when signed by the Chair of the PIC and the Chair of the LEO.

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STEVEN G. PINES is Director of the Enterprise Foundation Jobs Network in Columbia, Maryland, a private non-profit organization dedicated to community-based housing and training programs for the economically disadvantaged. Prior to joining the Foundation, Mr. Pines was Manager of Youth and Vocational Education Programs for the National Alliance of Business. In addition, Mr. Pines was an Employment Research Associate at the National Association of Counties. He has also provided consultant services for a number of organizations including the Manpower Demonstration Research Corporation. He has written extensively on performance-based contracting, youth employment competencies and has traced the legislative history of JTPA. Mr. Pines holds Masters degrees in Educational Psychology from the University of Connecticut and in Business Administration from Southern Illinois University at Edwardsville.